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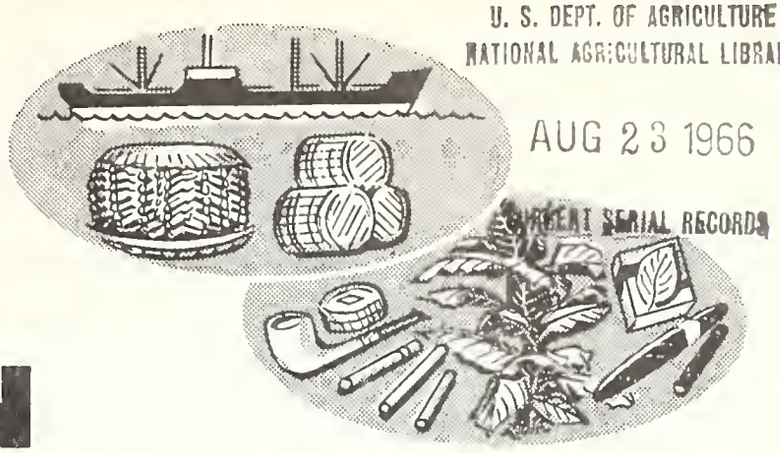


TOBACCO SITUATION

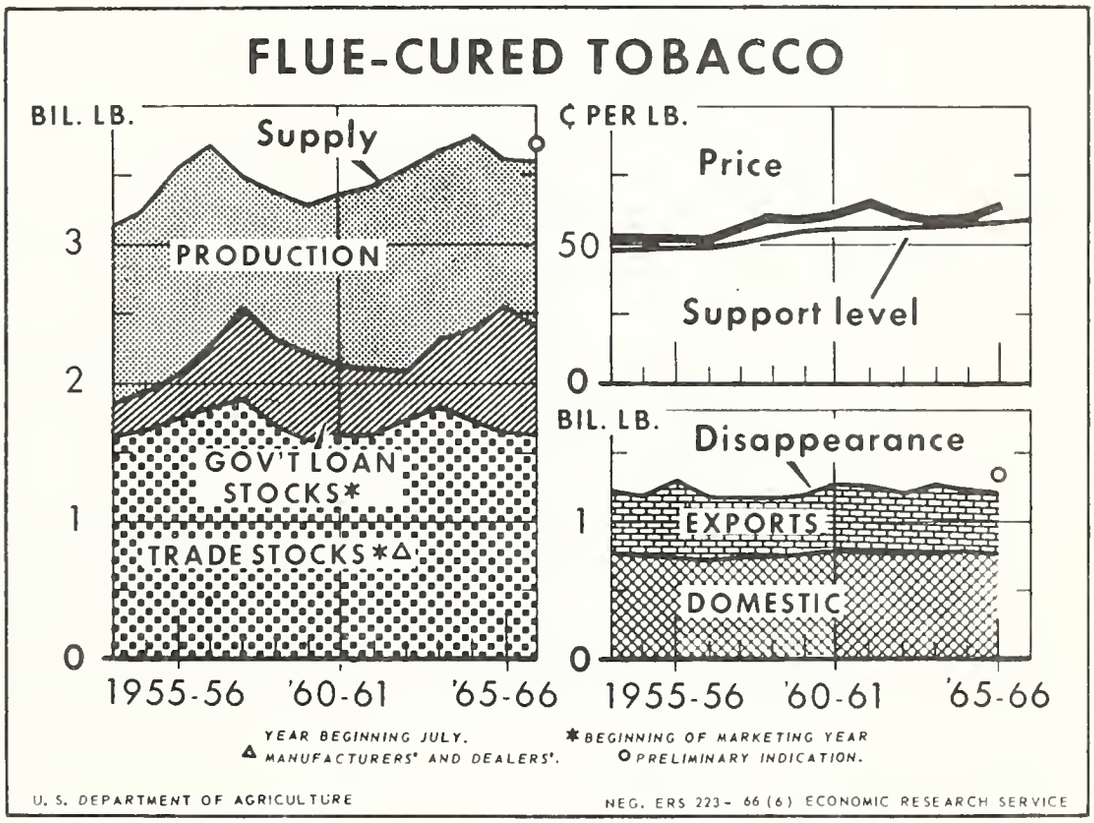
-116 For Release June 30, P.M. JUNE 1966

The 1966 marketings of flue-cured will be larger than last year. In 1965--first year of the acreage-poundage program--many growers marketed less than their poundage quotas, and under the program they can sell an additional quantity in 1966 to make up last year's under-marketings.

The mid-1966 carryover is down from the peak of a year earlier; substantial sales were made from Government loan stocks during the past year. Total 1966-67 supply may be slightly above 1965-66 but significantly below the 1964-65 record level.

Domestic use of flue-cured in 1965-66 is estimated to be a little lower than a year earlier. Exports also were down, as exporters awaited details of the Government program to increase tobacco exports.

The Government price support level for 1966 flue-cured is nearly 2 percent above 1965.



IN THIS ISSUE

Tobacco Products

Exports - Foreign Production

Imports

Leaf Supplies and Use

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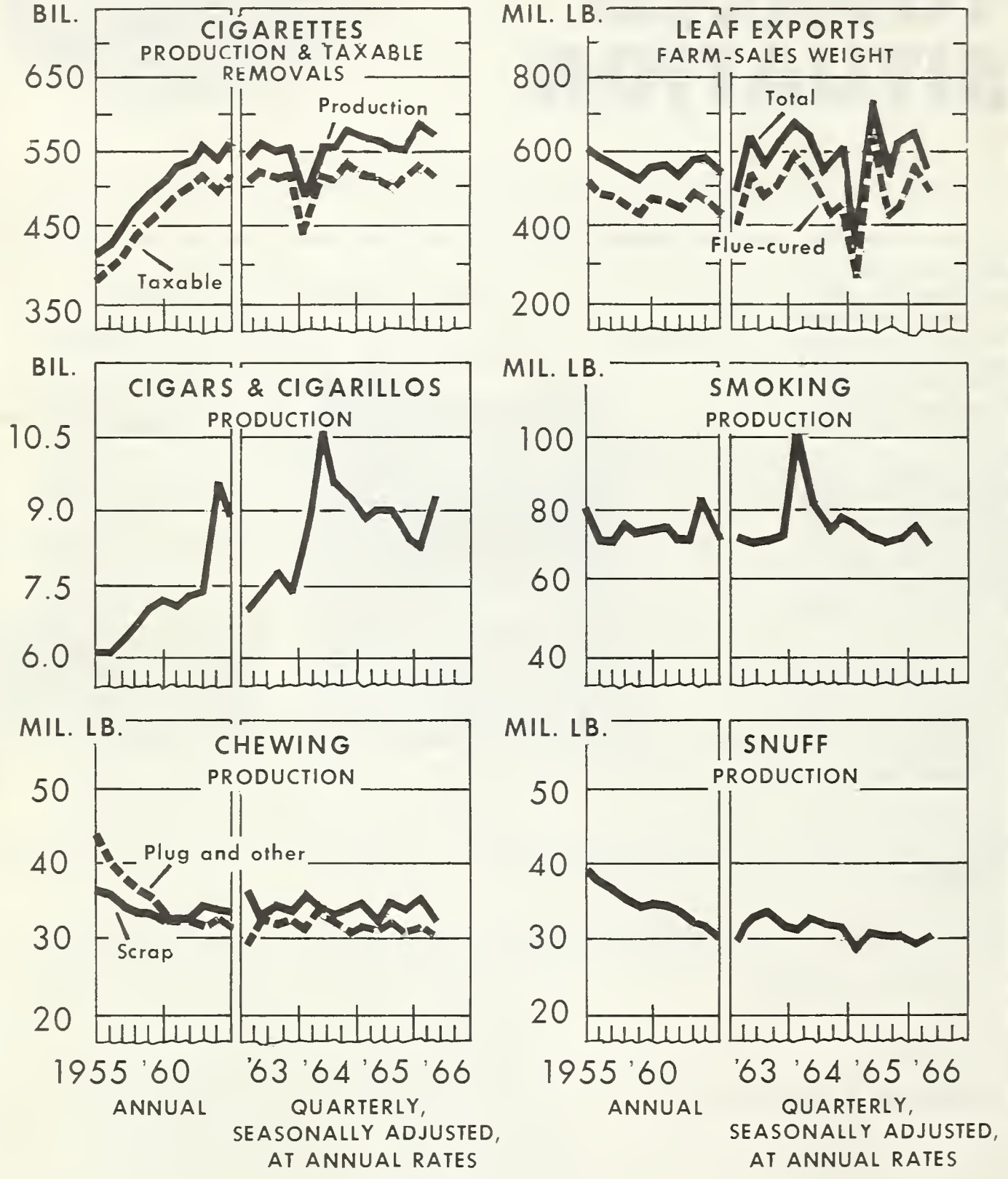
TOBACCO OUTLETS

Recent Trends in Manufactured Products and Exports



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U.S. DEPARTMENT OF AGRICULTURE NEG. 229-66(6) ECONOMIC RESEARCH SERVICE

THE TOBACCO SITUATION

Approved by the Outlook and Situation Board, June 23, 1966

CONTENTS

	Page		Page
Summary	3	Tobacco leaf situation	23
Tobacco products	5	Flue-cured, types 11-14	23
Cigarettes	5	Burley, type 31	26
Cigars, cigarillos, and small cigars	7	Maryland, type 32	28
Smoking tobacco	7	Fire-cured, types 21-23	30
Bulk smoking tobacco for export	10	Dark air- and sun-cured, types 35-37	33
Chewing tobacco	10	Cigar tobacco, domestic and imported	36
Snuff	11	Filler, types 41-46	
U. S. tobacco exports	12	Binder, types 51-55	
Major foreign countries exporting tobacco	16	Wrapper, types 61-62	
British tobacco situation	18	Foreign cigar tobacco	
U. S. tobacco imports	20	Statistical summary	47
		List of tables and charts	49

SUMMARY

Flue-cured tobacco marketings this year may be about one-eighth larger than last year's. The increase will be mainly due to increased marketings by growers who last year fell short of their poundage quotas. Under the acreage-poundage program, first placed into effect in 1965 on flue-cured tobacco, growers can make up for last year's undermarketings by selling that much additional this year. Carryover of flue-cured in mid-1966 is down significantly from the peak of a year earlier. The 1966-67 total supply--carryover plus this year's marketings--may be slightly above 1965-66, but is significantly lower than the 1964-65 record level.

Production of burley tobacco, which continues under the acreage allotment program, seems likely to be moderately below last year. Acreage may be down 13 percent but yields per acre could average higher this year than last. Carryover of burley may be down a bit, and addition of this year's crop probably will result in a total supply for 1966-67 somewhat lower than the high level of recent years.

Domestic use of flue-cured and burley during 1965-66 might turn out to be a little lower than a year earlier, based on partial-year indications. Also, flue-cured tobacco exports in its marketing year which ends June 30 totaled less than in the preceding year, as exporters awaited the details of a Government program designed to increase tobacco exports.

In the year ending June 30, 1966, U. S. cigarette output is estimated at 563 billion--slightly higher than in 1964-65. U. S. smokers consumed an estimated 534 billion cigarettes--about 2 billion more than a year earlier and more than in any previous fiscal

or calendar year. Exports of cigarettes were about 24 billion, down a little from 1964-65, and shipments to Puerto Rico were near 4 billion, largely accounting for the rest of 1965-66 output.

Cigars and cigarillos smoked by U. S. smokers in the year ending June 30, 1966, may have approximated 8.6 billion--about 300 million fewer than in 1964-65, but about 335 million more than in 1963-64. According to a survey of the Cigar Manufacturers Association of America, sales of cigarillo-size cigars in calendar 1965 accounted for about 26½ percent of total sales of cigarillo- and regular-size cigars. This was nearly double the proportion of 5 years ago.

The 1965-66 output of smoking tobacco, estimated at near 71 million pounds, is about 3 million below 1964-65 and about 9¾ million below 1963-64. The 1965-66 output of chewing tobacco, estimated at close to 65 million pounds, is almost the same as in 1964-65 but about 1¼ million below 1963-64. The 1965-66 output of snuff, at near 30 million pounds, is only a little below a year earlier but almost 2 million below 2 years earlier.

For many years, tobacco has ranked among the 5 most important agricultural export commodities of the United States. On the average, export markets have taken about a fourth of the tobacco produced in the United States. In the year ending June 30, 1966, U. S. exports of tobacco are estimated at 465 million pounds (declared weight)--about 20 million below 1964-65, which was down nearly 50 million from 1963-64. Though still the world's leading producer and exporter of tobacco, the United States has not shared in the increasing world tobacco trade. As recently as 1955-59, the United States share in free-world trade in tobacco was 35 percent, but by 1963 it had declined to 30 percent and by 1965 it was down to 26 percent.

On June 10, the U. S. Department of Agriculture announced a broadened program to regain and expand foreign markets for U. S. tobacco. Export payments of 5 cents per pound will be applicable to all crops (including tobacco remaining from prior years) for the kinds of tobacco on which Government price support is offered for the 1966 crop. The payments are in addition to the rebates and payments on selected crops of previous years announced earlier this year.

The unresolved situation of Rhodesia--a leading exporter of tobacco--continues to create uncertainty in world tobacco markets.

Auction markets for the 1965 crop of Maryland tobacco opened April 12 and are scheduled to close July 1. Through June 22, prices averaged 66.1 cents per pound compared with 62.4 cents a year earlier. This year's production might be less than last year when yields per acre were record-high. An increase in carryover, however, seems likely to raise the total 1966-67 supply above any previous year.

The 1966 production of fire-cured and dark air-cured tobacco may exceed that of 1965. Carryovers for these kinds of tobacco are likely to be down enough from a year earlier to reduce total supplies for 1966-67 below 1965-66.

Both the 1966 production and carryover of Pennsylvania cigar filler tobacco seem likely to be down from a year earlier, and total supply for 1966-67 may be below each of the 3 preceding years. Production of Ohio filler might top 1965 but the reduction in carryover will bring 1966-67 total supply down to a record low. The Puerto Rican cigar filler crop harvested early this year was down sharply from the big crop of a year

earlier; however, the carryover is still comparatively large. In the past year, except for Philippine tobacco, imports and stocks of foreign cigar tobaccos were substantially reduced.

The 1966-67 supply of Connecticut Valley binder may be at a new low, due to a further decline in carryover. For Wisconsin tobacco, little change in the 1966-67 supply from 1965-66 is expected; about the same size production as last year and approximately the same carryover seems likely for the Southern and Northern Wisconsin types on a combined basis.

The 1966-67 supply of Connecticut Valley cigar wrapper tobacco may reach a new high, due to a record carryover. The 1966-67 supply of Georgia-Florida wrapper will be down from 1965-66. The 1966 crop was substantially reduced and its quality adversely affected by hurricane Alma.

Government price support levels for 1966 tobacco eligible for price support are about 2 percent higher than for 1965. The increase results from a rise in the parity index which measures changes in prices paid by farmers. As specified by law, tobacco price support levels are adjusted to reflect changes in this index.

TOBACCO PRODUCTS

Cigarettes

In the year ending June 30, 1966, U. S. smokers (including overseas forces) consumed an estimated 534 billion cigarettes--about 2 billion more than in 1964-65 and above any previous fiscal or calendar year. The 1965-66 shipments for use by overseas forces were the largest since 1952, and the increase in these shipments accounted for the increase in the total consumption figure.

The 1965-66 output of cigarettes is estimated at 563 billion--slightly more than 1964-65. Cigarette exports likely totaled about 24 billion--down about 1 billion from 1964-65 when they topped any previous fiscal year. Cigarette shipments to Puerto Rico probably reached a new high in 1965-66.

On March 21-22, five major companies placed into effect price increases on cigarettes that cut in half the increases announced earlier that month. (See March 1966 Tobacco Situation, page 6.) Effective May 9, the sixth major company raised prices on its brands by a like amount. Manufacturers' prices (net of Federal excise tax and trade discounts) are about $4\frac{1}{4}$ percent higher for regular-size nonfilter tips, and 4.1 percent higher for king-size nonfilter tips and filter tips than before the increases. These increases at the manufacturer level have resulted in increases of mostly 5 or 6 cents on retail sales by the carton (10 packs). For single pack sales, the increase was generally 1 cent per pack; for 2-pack sales, the increase was usually 1 cent or $\frac{1}{2}$ cent per pack. On a percentage basis, the increase in retail prices of cigarettes would generally range from 1 to 4 percent depending upon the unit of sale, the retail outlet, and differences in the effect of State and local tax rates on cigarette prices. An example of the effect of tax rates on the retail price of cigarettes would be a purchase in New York City compared with Ohio. A pack of cigarettes bought in a supermarket in New York City would retail 9 cents higher than in Ohio; in New York City, a State tax of 10 cents plus the New York City tax of 4 cents would apply, while in Ohio the State tax of 5 cents per pack would apply.

Oregon will place into effect a 4 cents-per-pack tax on cigarettes on July 1, 1966. The only State without a cigarette tax is North Carolina.

Table 1.--Cigarettes: Total output, domestic consumption, shipments and exports for specified periods

Period	Total output	Domestic consumption	Shipments to		Exports
			Overseas forces and other 1/	Puerto Rico and U. S. islands 2/	
	Billions	Billions	Billions	Billions	Billions
Average:					
1950-54	414.2	377.9	18.4	1.9	15.8
1955	412.3	382.1	13.2	2.0	15.1
1956	424.2	393.2	13.3	2.0	15.7
1957	442.3	409.4	13.7	2.1	17.0
1958	470.1	436.4	13.4	2.2	18.1
1959	489.9	453.7	13.7	2.5	19.6
1960	506.9	470.1	14.3	2.5	20.2
1961	528.3	488.1	14.6	2.8	22.2
1962	535.5	494.5	13.9	3.1	24.1
1963	550.6	509.6	14.3	3.2	23.6
1964	539.9	497.4	13.8	3.7	25.1
1965 3/	556.8	511.5	17.2	3.9	23.1
	Fiscal year				
Year ending June					
1962	529.9	488.4	13.9	3.0	23.4
1963	543.7	503.0	14.0	3.1	23.4
1964	535.0	495.1	13.6	3.5	23.7
1965	562.4	517.0	15.1	3.7	25.1
1966 4/	563.0	514.0	20.0	4.0	24.0

1/ Also includes ship stores and small tax-exempt categories. 2/ Includes Virgin Islands, Guam, American Samoa, Wake, and Canton and Enderbury Islands. 3/ Subject to revision. 4/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 2.--Cigarette exports from the United States to leading destinations for specified periods

Country	Calendar year				July-April		
	Average 1958-62	1963	1964	1965 1/	1964-65	1965-66 1/	1965-66 as a percentage of 1964-65
	Mil.	Mil.	Mil.	Mil.	Mil.	Mil.	Pct.
Hong Kong	1,481	2,109	2,561	2,648	2,237	2,104	94
Spain	464	889	2,252	1,824	1,575	1,690	107
Netherlands Antilles	900	1,120	1,135	1,292	1,125	1,113	99
Kuwait	779	1,187	1,425	1,123	994	844	85
France	1,383	1,341	1,339	1,034	1,126	810	72
Paraguay	85	204	684	966	591	1,086	184
Ecuador	418	452	569	712	552	573	104
Panama 2/	473	554	853	651	665	573	86
Italy	619	720	709	644	544	499	92
West Germany	524	533	543	523	459	526	115
Other countries 3/	13,732	14,506	13,074	11,635	10,300	9,994	97
Total all countries	20,858	23,615	25,144	23,052	20,168	19,812	98

1/ Subject to revision. 2/ Includes Canal Zone. 3/ Includes over 100 foreign destinations in recent years.

Compiled from publications and records of the Bureau of the Census.

During July 1965-April 1966, cigarette exports were 2 percent lower than in the corresponding period a year earlier. Among the 10 top ranking destinations, France showed the sharpest decrease--28 percent; exports to Paraguay, however, showed an increase of 84 percent. (See table 2.)

Cigars, Cigarillos, Small Cigars

In the year ending June 30, 1966, U. S. smokers (including overseas forces) probably smoked about 8.6 billion cigars--approximately 300 million fewer than in 1964-65, but about 335 million more than in 1963-64. The proportion of cigars coming from Puerto Rican factories continued to gain and probably accounted for 12 percent of total consumption, compared with 9½ percent a year earlier.

The Cigar Manufacturers Association of America sponsors annual surveys that indicate the proportion of total cigar sales that are cigarillo-size--weighing over 3 pounds but not over 10 pounds per thousand. Regular-size cigars usually weigh more than twice as much as the average cigarillo. In calendar 1965, domestic sales of cigarillo-size cigars totaled nearly 2.3 billion--about 26½ percent of the combined sales of regular-size and cigarillo-size cigars. This was nearly double the proportion in the cigarillo-size category 5 years ago. The 1965 domestic sales of cigarillo-size cigars were only slightly less than in 1964, but sales of regular-size cigars declined 6 percent from the long-time high attained in 1964. For the first time, data were obtained that indicated the proportions of cigars that were tipped; over 59 percent of the cigarillo-size cigars sold in 1965 had tips, but only 3 percent of the regular-size cigars had tips.

Small cigars--about cigarette size, weighing not more than 3 pounds per thousand--are counted as a separate category from regular-size and cigarillo-size cigars. During July 1965-April 1966, the output of small cigars was about 2 percent above the corresponding period a year earlier, but taxable removals from factories declined 1½ percent below the year-earlier period.

Commercial exports of cigars continued to gain during 1965-66; an estimated 64 million were shipped, nearly 20 million more than in 1964-65. The leading outlets by far were France and Canada. Iceland, Britain, the Bahamas, Japan, South Africa, Kuwait, Hong Kong, and Portugal were other important outlets.

Smoking Tobacco

Production of smoking tobacco (for pipes and "roll-your-own" cigarettes) in the year ending June 30, 1966, is estimated at near 71 million pounds, about 4 percent below 1964-65 and 12 percent below the 9-year high of 1963-64. The sharpest decline compared with a year earlier occurred in October-December 1965; the decline was relatively less in the other quarters of the 1966 fiscal year.

For many years, the source of statistics on production and factory removals of smoking tobacco, chewing tobacco, and snuff were reports of the Internal Revenue Service. These data are no longer available, and have been replaced by a quarterly USDA report of manufacture and sales of these products. (See March 1966 Tobacco Situation, pp. 15-16.) Adding January-March 1966 domestic sales of smoking tobacco to July-December 1965 taxable removals results in a total of about 49 million pounds, nearly a tenth below taxable removals in the first 9 months of fiscal 1965.

In January 1966, the Bureau of Labor Statistics index of wholesale prices of smoking tobacco (revised) increased about 6 percent from the previous month and remained

Table 3.--Large cigars and cigarillos: Output and consumption for specified periods

Period	Factories in the United States 1/			From Puerto Rico	Imports for consumption		Exports	Total consumption 3/
	Total output	Removals		taxable	Total 2/	From Philippine Republic		
		Taxable	Tax-exempt					
	Million	Million	Million	Million	Million	Million	Million	Million
Average:								
1950-54	5,902	5,818	83	13	15	2	4	5,295
1955	6,004	5,915	82	84	20	5	6	6,095
1956	5,998	5,863	72	93	23	4	9	6,042
1957	6,145	5,995	79	124	26	5	9	6,215
1958	6,469	6,260	87	137	28	4	9	6,503
1959	6,857	6,717	103	148	31	5	4/10	6,989
1960	6,991	6,728	105	198	32	6	4/11	7,052
1961	6,642	6,558	118	354	24	8	4/16	7,038
1962	6,684	6,442	126	483	23	14	4/19	7,055
1963	6,716	6,621	144	526	24	15	33	7,282
1964	8,736	8,122	193	809	28	13	44	9,108
1965 5/	7,899	7,577	180	913	25	9	55	8,640
	Fiscal year							
Year ending June								
1962	6,834	6,572	121	423	27	10	4/18	7,125
1963	6,532	6,440	139	521	23	16	4/25	7,098
1964	7,774	7,483	170	641	30	15	39	8,285
1965	8,445	7,912	176	850	25	10	44	8,919
1966 6/	7,660	7,410	215	1,035	24	9	64	8,620

1/ Includes output and removals of bonded manufacturing warehouses--a category in which no facilities have been classified since February 1964. 2/ Prior to the embargo on imports from Cuba (effective February 1962), the major share of imported cigars came from Cuba. 3/ Total removals from U. S. factories plus those from Puerto Rico, and imports, minus exports. 4/ Estimated--excludes little cigars. 5/ Subject to revision. 6/ Preliminary estimate.

Basic data but not estimates compiled from reports of the Internal Revenue Service and the Bureau of the Census.

Table 4.--Small cigars (weighing not more than 3 pounds per thousand and approximately cigarette size): Output and removals for specified periods

Period	Output	Factory removals		
		Total	Taxable	Tax-exempt
	Million	Million	Million	Million
Average:				
1950-54	64.9	65.0	64.2	0.8
1955	58.7	57.8	57.0	.8
1956	63.6	59.5	58.9	.6
1957	49.0	49.1	48.8	.3
1958	170.0	160.0	159.7	.3
1959	530.1	505.5	481.6	23.9
1960	148.7	158.7	141.9	16.8
1961	158.2	152.9	146.1	6.8
1962	164.0	162.9	155.8	7.1
1963	281.4	272.4	264.2	8.2
1964	973.9	973.8	939.7	34.1
1965 1/	440.7	457.8	434.7	23.1
	Fiscal year			
Year ending June				
1962	164.7	163.1	156.2	6.9
1963	187.1	188.6	181.8	6.8
1964	913.2	881.5	865.1	16.4
1965	437.7	477.1	443.3	33.8
1966 2/	470.0	466.0	445.0	21.0

1/ Subject to revision. 2/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service.

Table 5.--Smoking tobacco: Output, removals, foreign trade, and consumption, for specified periods

Period	Output	Removals 1/		Imports 2/	Exports, in packages	Total consumption 3/	Exports, smoking tobacco in bulk 4/
		Taxable 1/	Tax-exempt 1/				
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:							
1950-54	95.2	92.0	3.2	0.1	0.6	94.7	3.0
1955	80.0	77.7	2.3	.1	.5	79.6	6.2
1956	71.5	69.9	1.7	.1	.6	71.1	5.7
1957	70.5	68.7	1.7	.2	.6	70.0	4.4
1958	76.0	74.0	2.0	.4	.7	75.7	7.5
1959	73.2	71.2	1.9	.7	.7	73.1	8.5
1960	73.8	71.3	2.3	.9	.9	73.6	7.7
1961	74.2	71.4	2.5	1.3	.8	74.4	9.0
1962	70.9	68.3	2.6	1.5	.9	71.5	8.6
1963	70.4	68.0	2.2	1.6	.9	70.9	9.8
1964	82.5	79.0	3.4	2.7	1.4	83.7	12.3
1965 5/	71.8	67.3	3.0	2.1	1.1	71.3	13.4
	Fiscal year						
Year ending June							
1962	71.5	69.0	2.4	1.3	.8	71.9	8.5
1963	69.8	67.1	2.3	1.7	.9	70.2	9.7
1964	80.7	77.5	2.9	2.1	1.2	81.3	10.0
1965	74.1	71.4	3.0	2.5	1.1	75.8	13.2
1966 6/	71.0	66.5	3.2	2.3	1.2	70.8	13.8

1/ After December 1965, taxable removals data replaced by domestic sales, and tax-exempt removals data replaced by export sales. See March 1966 Tobacco Situation, pp. 15-16. 2/ Prior to July 1962 and after December 1965, data are from Census import classification covering mainly smoking tobacco; from July 1962 through December 1965, data represent taxable removals of imported smoking tobacco reported by Internal Revenue Service. 3/ Total removals (or sales) plus imports minus exports in packages. 4/ Includes specially-prepared cigarette tobacco, cut or granulated tobacco, partially-processed blended tobacco and shredded tobacco. Virtually all of the smoking tobacco in this export class was not included in Internal Revenue Service output figures for smoking tobacco. 5/ Subject to revision. 6/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service, Bureau of the Census, and Consumer and Marketing Service, USDA.

unchanged through April. The Federal excise tax of 10 cents a pound was eliminated January 1, 1966. This was not passed on by some manufacturers, and the added amount accordingly changed the index, which is based on prices exclusive of taxes. Prior to the increase, the index had stayed at the same level since April 1964.

For the year ending June 30, 1966, imports of smoking tobacco may be somewhat below the peak 2½ million pounds during 1964-65. Most of the smoking tobacco imported in this country comes from the Netherlands and the United Kingdom.

Only a small fraction of smoking tobacco production is exported. In the past 2 years or so, these exports have been at a higher level than in other recent years. In January-April 1966, exports were 47 percent ahead of those a year earlier (affected by the dock strike in January and February 1965). Sizable increases occurred in shipments to Canada, Iceland, and Australia, while a significant quantity went to Japan, in contrast with none a year earlier. Exports to West Germany and Denmark were moderately smaller than a year ago.

Smoking Tobacco in Bulk for Export

The smoking tobacco in bulk export category includes specially prepared cigarette tobacco, cut or granulated tobacco, partially processed blended tobacco, and shredded tobacco. In 1965, these exports reached a record 13.4 million pounds; for the year ending June 30, 1966, they are estimated to be about 13.8 million pounds--about 5 percent above 1964-65. In January-April 1966, they were 6 percent larger than a year earlier. Exports to Switzerland dropped to only a small fraction of the substantial year-earlier figure, but there were big increases to the Dominican Republic, the Netherlands, Peru, Ecuador, Bolivia, Belgium, and Austria. Shipments to Panama rose moderately, while an appreciable quantity went to Australia. Exports to Spain and Finland declined, but those to Haiti held even.

Chewing Tobacco

Output of chewing tobacco in the year ending June 30, 1966, is estimated at near 65 million pounds--about the same as in the previous year. Production of plug chewing was probably a little below 1964-65, but this likely was offset by some increase in scrap chewing. These make up about 90 percent of total chewing tobacco; fine-cut and twist comprise the remaining 10 percent. Output of fine-cut may have been up a little from 1964-65, while that of twist likely was about the same.

The Bureau of Labor Statistics revised index of wholesale prices of plug chewing tobacco for January 1966 rose about 7½ percent from the previous month and remained unchanged through April. The index is based on prices exclusive of taxes, and the increase reflects the fact that not all manufacturers passed on the eliminated Federal excise tax. Prior to the increase, the index had stayed level since October 1963.

Most chewing tobacco is consumed domestically. Exports, consisting principally of twist and plug, have trended downward. In January-April 1966, however, exports were more than double the relatively small total a year earlier. Consignments to Australia, leading outlet, were up sharply, and larger quantities than a year ago also went to Panama. Less than a year earlier was exported to the French Pacific Islands and the Trust Territory of the Pacific Islands.

Table 6.--Chewing tobacco and snuff: Output by category for specified periods

Period	Chewing tobacco					Snuff
	Plug	Twist	Fine-cut	Scrap	Total	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:						
1950-54	38.9	4.9	2.8	38.2	84.8	39.2
1955	36.5	4.5	3.0	36.0	80.0	39.2
1956	33.0	4.3	2.9	35.5	75.7	37.7
1957	31.6	4.0	2.8	34.0	72.4	36.1
1958	29.6	3.8	2.9	33.0	69.3	34.8
1959	28.6	3.6	3.0	33.0	68.2	34.3
1960	26.4	3.4	3.1	32.0	64.9	34.6
1961	26.0	3.3	3.2	32.7	65.2	33.8
1962	26.0	2.9	3.3	32.5	64.7	33.2
1963	24.9	2.9	3.3	34.2	65.3	31.8
1964	25.9	2.8	3.5	34.0	66.2	31.4
1965 1/	24.7	2.8	3.7	33.9	65.1	29.7
	Fiscal year					
Year ending June						
1962	26.0	3.0	3.2	32.5	64.7	32.9
1963	25.1	3.0	3.3	33.6	65.0	32.7
1964	25.9	2.8	3.4	34.2	66.3	31.9
1965	25.1	2.8	3.6	33.4	64.9	30.3
1966 2/	24.5	2.8	3.8	34.0	65.1	30.0

1/ Subject to revision. 2/ Preliminary estimate.

Basic data but not the estimates compiled from reports of the Internal Revenue Service and Consumer and Marketing Service, USDA.

Snuff

Production of snuff in the year ending June 30, 1966, is estimated at near 30 million pounds--about 1 percent below the preceding year and the sixth successive year of decline. Virtually all U. S. snuff output is consumed in this country.

The Bureau of Labor Statistics revised index of wholesale prices of snuff for January 1966 rose nearly 7 percent from the preceding month and remained unchanged through April. The increase probably reflected the fact that not all manufacturers passed on the eliminated Federal excise tax. Prior to this advance, the index had stayed level since March 1964.

EXPORTS OF UNMANUFACTURED TOBACCO FROM THE UNITED STATES 1/

For the year ending June 30, 1966, U. S. exports of unmanufactured tobacco are estimated at around 465 million pounds (530 million, farm-sales weight)--about 20 million below 1964-65 and below the 1954-63 average. Exports of flue-cured, the principal export class, are estimated to have been less than in 1964-65. In the first 10 months of 1965-66, total tobacco exports were running a little ahead of those a year earlier, but a slow-up toward the end of 1965-66, when provisions for an expanded export program for tobacco were being worked out, probably kept shipments below the comparable period a year ago.

On June 10, the U. S. Department of Agriculture announced broadened tobacco export provisions to extend export payments of 5 cents per pound to most kinds of tobacco in an effort to regain and expand foreign markets. The expanded program will be applicable to all crops of the kinds of U. S. produced tobacco on which price support is offered for the 1966 crop. Tobaccos not covered are cigar wrapper, Pennsylvania cigar filler, and Maryland tobaccos.

The payments provided for in the recent announcement are in addition to rebates previously offered for selected crops of flue-cured, fire-cured, and dark air-cured tobacco. This earlier offer provides for a refund of 5 cents per pound on exports of flue-cured and fire-cured (types 22-23) tobaccos acquired from Government loan stocks of the 1960-62 crops; Virginia fire-cured, type 21, acquired from loan stocks of the 1959-62 crops; and dark air-cured tobacco (types 35-36) acquired from loan stocks of the 1961 and 1962 crops. Exports from dealers' stocks of the aforementioned kinds and crops are also eligible for an export payment of 5 cents per pound, provided sales were made on or after May 6, 1966, for the specified crops of flue-cured and May 24 for the other kinds.

The United States, world's leading producer and exporter of tobacco, has not shared in recent increases in world tobacco trade. In 1965, the United States supplied 26 percent of the 1.8 billion pounds of unmanufactured tobacco that moved in free-world commerce; in 1952-56, its share was 37 percent. (See table 12.)

Major exporters and quantities of unmanufactured tobacco shipped in 1965 and the previous 2 years were as follows:

Country	1963	1964	1965
	Mil. lb.	Mil. lb.	Mil. lb.
United States	505	515	468
Rhodesia, Zambia, Malawi	213	252	*297
Greece	137	158	157
Turkey	98	126	151
India	150	158	137
Brazil	98	133	123
Philippine Republic	55	76	81
Yugoslavia	38	50	43
Canada	39	52	42
Indonesia	28	36	41
Paraguay	22	28	33
Dominican Republic	37	56	32

*Partly estimated.

1/ Quantities of tobacco in this section are stated in terms of export weight, which is less than the equivalent farm-sales weight.

Table 7.--United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods

(Declared weight)

Country and type	Average 1958-62	1963	1964	1965 1/	January-April 1965 1/	January-April 1966 1/	1966 as a percentage of 1965
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Flue-cured	391.9	403.4	395.6	350.6	72.0	87.7	122
Burley	34.2	44.5	53.0	45.3	7.8	13.3	171
Maryland	12.0	10.7	12.3	10.1	1.7	2.4	141
Va. fire- and sun-cured	4.8	5.2	4.6	6.5	1.9	2.3	121
Ky. and Tenn. fire-cured	19.7	14.2	20.8	21.6	5.9	6.1	103
Green River	.8	.6	1.2	.6	.3	.4	133
One Sucker	1.0	.5	.6	.9	.1	.1	100
Black Fat, etc.	4.5	4.2	3.7	3.9	.9	1.0	111
Cigar wrapper	4.2	4.6	5.2	3.9	1.2	1.8	150
Cigar binder	2.2	.8	1.6	2.5	1.5	1.2	80
Cigar filler	.5	.4	.6	.7	.2	.3	150
Perique	.1	.2	.2	.4	.3	.1	33
Stems, trimmings, and scrap	6.9	16.1	15.1	21.1	5.7	7.3	128
Total	482.8	505.5	514.5	468.1	99.5	124.0	125
Country of destination							
United Kingdom	145.3	139.0	125.2	92.8	16.4	21.9	134
France	6.2	5.6	7.2	5.8	2.7	3.4	126
Belgium	17.5	16.3	17.5	18.8	4.0	3.5	88
Netherlands	29.2	29.7	33.1	37.2	7.4	8.7	118
West Germany	73.8	85.3	85.5	80.9	19.9	26.8	135
Portugal	7.3	6.0	8.0	3.7	1.9	1.6	84
Denmark	13.5	13.8	12.3	15.1	4.4	4.0	91
Ireland	14.4	14.5	11.2	10.6	2.3	2.5	109
Switzerland	12.0	11.5	15.0	12.6	2.0	4.4	220
Norway	7.6	7.3	7.2	6.0	1.2	1.7	142
Sweden	14.6	11.0	20.8	5.9	3.8	6.9	182
Italy	10.6	12.0	9.5	8.4	0	1.1	---
Thailand	9.4	9.1	11.1	11.8	3.5	5.8	166
Australia	20.1	18.1	14.2	19.7	4.0	4.1	102
India	2.0	1.5	.6	0	0	0	---
Pakistan	1.3	2.3	.8	1.9	.6	0	---
New Zealand	5.8	2.9	3.8	3.0	.6	1.4	233
Philippine Republic	3.5	2/	.9	.8	2/	.6	---
Indonesia	2.0	1.2	0	0	0	0	---
Egypt	10.3	15.2	15.2	18.4	3.6	1.7	47
Japan	17.9	28.7	34.9	36.6	0	5.5	---
Spain	3.3	1.2	3.1	3.7	1.1	.9	82
Other countries	55.2	73.3	77.4	74.4	20.1	17.5	87
Total	482.8	505.5	514.5	468.1	99.5	124.0	125

1/ Preliminary.
2/ Less than 50,000 pounds.

Compiled from publications and records of the Bureau of the Census.

Table 8.--Flue-cured tobacco, types 11-14: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods

Year beginning July 1	United Kingdom		West Germany	Belgium	Nether-lands	Ireland	Denmark	Aus-tralia	Japan	All countries	
	Un-stemmed	Stemmed								Un-stemmed	Stemmed
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1950	64.0		43.5	36.9	42.9	62.0	54.2	69.3	78.4	59.7	
1951	66.3		54.5	44.9	44.8	68.0	57.9	74.9	84.3	64.6	
1952	69.6		57.4	40.9	43.6	70.1	58.7	76.6	86.7	64.6	
1953	71.1		61.3	40.7	43.1	69.6	66.3	79.5	90.5	66.9	
1954	73.0	117.1	61.9	37.4	43.2	72.3	63.2	79.8	84.3	68.0	90.0
1955	70.8	107.3	63.1	36.5	43.0	71.6	66.0	76.7	80.5	66.3	81.6
1956	71.9	82.3	63.3	45.1	46.7	72.1	67.6	78.7	88.1	68.5	82.4
1957	77.5	84.0	68.6	47.1	51.0	79.4	69.7	79.8	93.5	72.9	87.6
1958	78.0	95.3	70.4	46.3	48.5	78.7	69.8	82.3	94.1	73.6	93.6
1959	79.8	99.8	70.7	48.6	48.6	84.7	68.7	82.2	96.1	74.0	96.8
1960	82.3	99.8	72.5	48.1	52.4	82.4	73.7	83.4	94.2	75.8	96.7
1961	84.8	102.9	74.7	51.4	53.2	3/87.6	3/82.2	85.7	93.1	77.3	102.9
1962	85.9	104.1	75.8	55.4	60.3	3/87.7	3/88.8	90.1	95.5	78.3	103.3
1963	84.8	105.2	73.7	56.8	57.9	3/93.2	3/92.5	87.9	90.5	76.2	104.9
1964 1/	85.0	106.7	77.7	56.2	60.9	3/90.8	3/93.4	86.4	95.3	77.4	106.7
1965 2/	93.6	112.4	80.3	60.6	63.2	3/105.5	3/95.3	91.0	94.5	79.6	110.8

1/ Preliminary. 2/ July 1965 - April 1966. 3/ Reflects increased proportion of stemmed tobacco.

Table 9.--Burley and Maryland tobacco: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods

Year beginning October 1	Burley, type 31							Maryland, type 32			
	West Germany	Belgium	Por-tugal	Sweden	Denmark	Nether-lands	All coun-tries	Swit-zer-land	Nether-lands	France	All coun-tries
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1950	41.6	32.2	35.6	58.6	39.0	35.0	46.1	79.3	33.7	76.7	64.9
1951	50.3	32.6	31.8	71.5	51.0	43.9	52.0	83.7	29.2	1/	72.3
1952	56.1	33.0	33.3	74.9	48.4	42.8	53.2	82.7	34.0	---	66.5
1953	53.9	33.1	32.9	77.4	45.2	42.5	51.9	80.0	30.7	---	61.4
1954	59.5	34.3	29.6	76.5	48.1	38.8	54.3	84.0	37.2	79.2	70.1
1955	60.6	42.7	34.6	73.1	52.5	43.2	57.0	80.0	37.9	79.1	62.8
1956	66.7	50.3	63.8	79.5	66.3	52.5	73.7	81.2	36.1	80.1	62.2
1957	76.8	56.9	62.6	85.0	79.6	65.1	78.5	81.2	41.7	87.2	66.2
1958	84.6	59.8	67.0	87.7	92.2	64.3	83.8	81.4	54.9	90.2	64.2
1959	80.3	52.8	57.0	89.0	94.8	70.5	82.6	87.6	49.9	75.0	74.8
1960	80.6	62.8	59.9	87.4	4/108.3	73.8	82.0	89.8	71.4	91.8	78.4
1961	82.1	75.0	71.5	92.3	4/108.9	81.2	86.2	89.0	62.6	87.7	78.5
1962	81.1	70.8	54.1	95.9	4/114.2	80.7	82.4	88.6	62.3	84.6	76.5
1963	76.5	61.1	55.0	4/109.0	4/105.9	67.0	77.1	94.3	62.7	87.2	76.6
1964 2/	76.2	69.0	55.3	4/117.9	4/100.4	83.0	79.4	91.5	64.6	101.7	81.7
1965 3/	80.0	69.6	56.3	4/139.6	4/113.0	87.1	81.4	90.5	62.3	---	79.0

1/ Quantity negligible. 2/ Preliminary. 3/ October 1965-April 1966. 4/ Reflects increased proportion of stemmed tobacco.

Computed from the declared values and export weights as reported in the publications of the United States Department of Commerce.

Table 10.--Fire-cured tobacco: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods

Year beginning October 1	Kentucky and Tennessee fire-cured types 22-23							Virginia fire-cured type 21				
	France	Netherlands	Switzerland	Belgium	United Kingdom	Sweden	All countries	Norway	Sweden	United Kingdom	West Germany	All countries
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1950	36.7	40.5	44.8	32.6	44.9	43.7	39.6	54.7	49.5	48.6	65.9	56.3
1951	---	43.1	42.1	39.2	44.2	49.5	45.1	59.2	55.9	68.8	66.1	66.3
1952	58.5	48.3	55.1	33.7	58.1	51.5	49.3	58.5	61.0	75.3	68.7	63.5
1953	49.7	48.5	57.6	34.2	68.4	55.0	51.6	62.6	59.1	65.9	73.2	63.2
1954	46.6	44.5	60.1	36.3	40.1	50.6	51.5	62.1	61.7	74.6	67.8	62.1
1955	46.6	47.5	59.4	36.2	58.8	52.2	52.5	59.6	54.5	64.8	64.4	61.4
1956	46.6	49.3	53.2	37.5	60.4	57.8	48.3	58.2	61.1	72.1	75.5	66.1
1957	51.3	48.5	52.7	34.2	64.5	54.4	46.3	63.8	40.7	68.8	73.9	66.5
1958	56.0	45.6	50.3	40.3	62.0	56.4	45.0	59.4	57.7	69.9	75.6	65.5
1959	55.0	44.3	50.7	43.5	58.3	56.0	46.8	59.5	58.0	71.2	68.3	66.3
1960	53.2	45.3	48.7	42.7	60.0	55.2	48.6	60.4	56.7	67.8	68.2	63.8
1961	52.5	49.2	58.1	53.0	63.1	56.2	51.9	62.3	62.2	78.1	70.0	64.7
1962	52.7	51.9	56.6	49.9	61.8	56.8	54.3	65.7	59.4	67.7	76.1	64.9
1963	49.9	48.0	56.3	53.2	63.6	52.3	50.4	66.9	62.0	75.4	74.0	67.2
1964 1/	56.0	49.6	63.9	56.3	79.7	57.3	52.1	64.4	58.9	80.7	72.1	71.0
1965 2/	56.8	50.0	61.4	65.9	63.8	55.3	53.2	68.7	63.3	74.2	88.0	64.7

1/ Preliminary. 2/ October 1965-April 1966.

Computed from the declared values and export weights as reported in the publications of the United States Department of Commerce.

Table 11.--Black Fat and dark air-cured tobacco: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods

Year beginning October 1	Black Fat 1/				Green River, type 36		One Sucker, type 35
	Ghana	Nigeria	Western Africa 2/	All countries	United Kingdom	All countries	All countries
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1950	67.0	67.6	42.2	58.9	40.9	30.4	46.3
1951	77.2	74.9	44.3	66.2	46.0	49.2	68.6
1952	84.8	81.4	51.8	76.9	37.5	37.7	69.6
1953	84.6	80.3	53.2	77.0	51.1	44.1	46.4
1954	85.7	81.7	54.4	74.8	45.5	36.0	24.4
1955	86.2	84.1	56.6	79.6	46.8	39.9	42.4
1956	87.1	86.8	56.9	79.9	59.2	35.3	30.4
1957	87.6	89.4	57.2	80.5	56.9	41.1	43.2
1958	91.8	90.2	60.0	82.8	66.6	55.5	35.4
1959	93.6	93.8	60.9	86.4	53.0	51.9	43.9
1960	95.4	95.4	60.4	84.5	61.1	57.0	47.3
1961	95.5	97.9	75.0	89.7	69.3	51.7	51.6
1962	97.8	100.5	64.9	87.4	57.6	53.1	51.7
1963	98.3	100.1	69.0	87.3	56.7	52.0	53.2
1964 3/	98.6	105.0	68.9	90.0	67.5	54.1	44.9
1965 4/	102.0	102.7	71.8	85.5	59.5	59.0	44.5

1/ Also Dark African and Water Baler. 2/ Formerly French West Africa. 3/ Preliminary. 4/ October 1965-April 1966.

Computed from the declared values and export weights as reported in the publication of the United States Department of Commerce.

Significant quantities were also exported in 1965 by the following: Cuba, an estimated 30 million pounds; Argentina, 26 million; Colombia 22 million; and Mexico, 11 million. Japan exported about 17 million pounds of unmanufactured tobacco, of which nearly 10 million were burley, shipped mainly to West Germany at the equivalent of 52 cents per pound.

The United States ranks third among the world's importers of tobacco, importing cigarette and cigar tobaccos for blending with domestic types. The United Kingdom usually is the world's leading tobacco importer, and West Germany usually ranks second. In 1965, however, this ranking was reversed. Table 13 shows quantities received in 1965 and other recent years by 13 principal importing countries. These countries accounted for 73 percent of total free-world imports in 1965. If U. S. imports were added, the 14 countries would account for 84 percent.

U. S. exports of unmanufactured tobacco in fiscal 1966-67 probably will exceed the estimated 1965-66 total by a sizable margin. Exports of flue-cured tobacco are expected to be significantly larger than in 1965-66.

Major Foreign Countries Exporting Tobacco

The Rhodesian flue-cured crop harvested in early 1966 is unofficially estimated at around 200 million pounds, compared with 233 million in 1965 and the record 300 million in 1964. Press reports indicate that by the first week of June less than a third of the crop may have been sold at the closed auctions that began March 29. At this writing, discussion is underway between officials of Rhodesia and the United Kingdom concerning formal negotiations to settle the dispute.

The 1965 flue-cured crop in Canada, estimated at 156 million pounds, was about 9 percent above the 1964 crop, which was smallest in 9 years. In Ontario, where over nine-tenths of the crop is produced, the auction sales price average was the highest on record--66.0 Canadian cents per pound. The 1966 quota acreage in Ontario was increased 43 percent over 1965, and expanded acreage could produce a record flue-cured crop ranging from 210 to 230 million pounds. In 1965, flue-cured production in Ontario was 154 million pounds; the previous record crop was in 1960, when 200 million pounds were produced.

Canada's exports of flue-cured in 1965 totaled about 39 million pounds--about a fifth below record shipments in the previous year. The average value per pound was equivalent to 79 U. S. cents per pound compared with about 68 cents in 1964. The United Kingdom accounted for over 80 percent of the 1965 total. About 1 million pounds went to Hong Kong, and amounts ranging from around 300,000 to 500,000 pounds went to Belgium, the Netherlands, Malaysia, Syria, West Germany, Norway, and Denmark.

India's 1966 flue-cured crop is placed at about 225 million pounds, 7 percent below 1 year earlier and 11 percent below the record 2 years earlier. Exports of flue-cured in 1965 totaled about 115 million pounds--a decline of 16 percent from the previous year's peak level. The average value per pound was equivalent to 35 U. S. cents, compared with 31 cents in 1964. The Soviet Union reduced takings 19 percent, but still accounted for half of the total. The United Kingdom accounted for nearly 30 percent and took virtually the same quantity as the year before. The average value per pound of exports to the United Kingdom was equivalent to 60 cents a pound; to the Soviet Union, it was 24 cents. Other sizable markets for Indian flue-cured exports in 1965 were East Germany, Egypt, Belgium, Malaysia, the Netherlands, Japan, and Poland, each of which took a quantity ranging from 1 to about $3\frac{3}{4}$ million pounds.

Table 12.--United States and world production and exports of flue-cured and all unmanufactured tobacco, averages 1947-51 and 1952-56, annual 1957-65

Period	Flue-cured			All tobacco 1/		
	United States	World total 2/	United States as percentage of total	United States 3/	World total 2/	United States as percentage of total
	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.
	Production (farm-sales weight)					
Average:						
1947-51	1,246	2,040	61	2,110	7,218	29
1952-56	1,371	2,760	50	2,217	8,250	27
1957	975	2,722	36	1,694	8,625	20
1958	1,081	2,880	38	1,762	8,263	21
1959	1,081	2,974	36	1,824	8,502	21
1960	1,251	3,161	40	1,971	8,278	24
1961	1,258	2,975	42	2,092	7,723	27
1962	1,408	3,230	44	2,350	8,643	27
1963	1,371	3,376	41	2,376	9,605	25
1964 4/	1,388	3,824	36	2,266	10,258	22
1965 4/	1,059	3,536	30	1,878	9,800	19
	Exports (export weight)					
Average:						
1947-51	388	531	73	486	1,141	43
1952-56	403	637	63	484	1,316	37
1957	418	664	63	501	1,488	34
1958	398	669	59	482	1,449	33
1959	374	656	57	466	1,402	33
1960	409	705	58	496	1,521	33
1961	403	727	55	501	1,681	30
1962	375	776	48	469	1,690	28
1963	403	786	51	505	1,670	30
1964 4/	396	864	46	515	1,880	27
1965 4/	351	830	42	468	1,828	26

1/ Unmanufactured. 2/ Production figures include Communist bloc; export figures relate to free world. 3/ Including Puerto Rican. 4/ Subject to revision.

Foreign data supplied by Tobacco Division, Foreign Agricultural Service.

Table 13.--Tobacco imports of ranking foreign markets and percentage supplied by the United States, 1962-65

Country	Total tobacco imports 1/				Percentage supplied by the United States			
	1962	1963	1964	1965 2/	1962	1963	1964	1965 2/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.	Pct.	Pct.	Pct.
West Germany	320	262	279	301	30	34	32	32
United Kingdom	280	325	313	286	38	45	39	32
France	78	105	108	109	4	5	5	6
Netherlands	69	87	100	105	29	28	30	32
Belgium-Luxembourg	60	64	69	73	25	26	25	27
Spain	63	44	60	65	1	4	7	6
Japan	39	35	64	55	66	62	52	51
Switzerland	35	38	40	45	45	46	47	49
Denmark	28	28	34	35	47	55	49	46
Egypt	26	27	30	32	44	47	54	50
Australia	28	27	28	30	69	69	52	67
Italy	75	63	50	23	18	30	15	23
Sweden	20	19	31	17	73	61	78	41

1/ Unmanufactured tobacco. 2/ Subject to revision.

Compiled from reports of Foreign Agricultural Service.

Oriental tobacco production in Turkey in 1965 has been estimated at about 262 million pounds--nearly a third smaller than the 1964 record crop and about a tenth below the 1963 crop. Unmanufactured tobacco exports in 1965, at 151 million pounds, were about a fifth larger than the previous year. Over 60 percent was consigned to the United States, which boosted takings sharply. Other countries increasing takings included Japan, Belgium, Czechoslovakia, East Germany, and Italy, and a sizable quantity went to Egypt, in contrast with none the previous 2 years. West Germany, second ranking outlet, cut takings an eighth; less than in 1964 also went to Poland, Hungary, and Switzerland. Average values per pound of 1965 exports to selected major destinations were as follows (rounded to nearest U.S. cent): United States, 64; West Germany, 54; Japan, 60; and Belgium, 43.

The 1965 crop of oriental tobacco in Greece is now estimated at about 267 million pounds, 8 percent less than the peak in 1964 and 5 percent less than 1963. Unmanufactured tobacco exports in 1965, at 157½ million pounds, were about equal to those in 1964; this level was above any previous year. Average values per pound for major destinations were as follows (rounded to nearest U.S. cent): West Germany, 64; United States, 82; Soviet Union, 72; France, 60; Poland, 75; and Japan, 79. In January-March 1966, exports were 27 percent ahead of those a year earlier. Shipments to the United States about doubled, and made up about 40 percent of the total. There were also increased exports to West Germany, Poland, Hungary, and Belgium, but reductions to Italy, Egypt, Soviet Union, East Germany, and France.

Burley production, which has been expanding steadily in Greece, amounted to 9.9 million pounds in 1965, compared with about 8 million in 1964, and only 18,000 pounds in 1960, when commercial production first got underway.

Duties on Greek tobacco imported into the European Economic Community (EEC, consisting of West Germany, Belgium, the Netherlands, Luxembourg, France, and Italy) have been reduced 10 percentage points, effective in 2 stages of 5 percent each--on July 1, 1966, and on January 1, 1967. As of the latter date, EEC duties on Greek tobacco will be equal to only 20 percent of those originally in force in 1958.

British Tobacco Situation

The United Kingdom imported 270 million pounds of unmanufactured tobacco (mostly flue-cured) from all sources in July 1965-April 1966, slightly more than a year earlier. Tobacco imports from the United States dropped 18 percent, while those from Rhodesia, Zambia, and Malawi rose 9 percent. (No imports from Rhodesia were received after February 1966; imports following Rhodesia's unilateral declaration of independence in November 1965 represented tobacco already purchased.) Imports from India declined a little, but receipts from Canada jumped 26 percent. Imports from the United States made up 35 percent of the total, compared with 43 percent a year earlier and 50 percent 2 years earlier. Commonwealth sources provided 60 percent of total July 1965-April 1966 imports, compared with 55 percent a year earlier and 48 percent 2 years earlier.

In the United Kingdom, gross clearances of tobacco from bond are an approximate measure of use for domestic consumption and exports. In the 9 months ended March 31, 1966, gross clearances totaled 227 million pounds, of which 212 million were flue-cured. Compared with a year earlier (when there was an unusual upsurge in March), total clearances were down 4.4 percent, and those of flue-cured were down 4.5 percent. The reduction was all in gross clearances of U. S. flue-cured, which fell 11 million pounds or over a tenth. Gross clearances of Rhodesian and Indian flue-cured were up slightly, and those of Canadian flue-cured remained steady. U. S. flue-cured made up 42.5 percent of reported total clearances of flue-cured, compared with 45.6 percent a year earlier and 49.0 percent 2 years earlier.

Table 14.--United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods

Period	Imports 1/			Stocks Dec. 31 3/	Gross clearances from bond 4/			Exports of manufactured tobacco	Re-exports of unmanufactured tobacco
	From U. S. 2/	From Commonwealth countries 2/	Total		Nonpreferential 2/	Preferential 2/	Total		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1950	144	146	306	445	180	91	271	43	4
1951	212	131	355	498	183	104	287	51	7
1952	67	143	224	430	172	108	280	47	12
1953	174	127	316	452	167	116	283	45	9
1954	160	139	312	468	168	122	290	41	4
1955	179	149	344	507	173	125	298	44	4
1956	160	146	318	523	173	127	300	45	3
1957	168	141	319	529	169	135	304	41	3
1958	164	145	316	529	172	138	310	41	2
1959	140	155	300	509	171	144	315	34	2
1960	178	180	365	538	167	152	319	31	5
1961	157	182	345	563	161	156	317	31	3
1962	106	168	280	540	153	154	307	28	4
1963	145	174	325	536	155	159	314	29	3
1964	123	181	313	541	146	163	309	26	4
1965 5/	91	184	286	520	131	168	299	32	4
July-April									
1961-62	154	136	293	6/528	*116	*114	*230	24	3
1962-63	115	115	237	6/495	*116	*118	*234	24	3
1963-64	145	138	288	6/515	*114	*120	*234	22	3
1964-65	114	147	267	6/491	*109	*129	*238	24	2
1965-66	94	162	270	6/500	* 97	*130	*227	28	4

1/ Unmanufactured tobacco. 2/ The full duty rate on tobacco from the United States and other nonpreferential areas is about 2 percent above the preferential rate on tobacco from Commonwealth areas. 3/ Beginning with 1957, stocks not strictly comparable with prior years. 4/ Largely withdrawals for manufactures for home use and export. 5/ Subject to revision. 6/ Stocks as of March 31 in the latter year specified. *July-March.

Compiled from official United Kingdom sources.

During July 1965-March 1966, British consumption of tobacco (net clearances from bond) was 6 percent below a year earlier and 5 percent below 2 years earlier. The growth in filter tip cigarettes, which require less tobacco per unit than non-filter tips, and the sharply higher proportion of imports made in stemmed form, which increases the amount of usable leaf from the same weight of tobacco, have reduced clearances. In 1965, filter tip cigarettes comprised 53 percent of total sales, compared with 42 percent in 1964 and only 16 percent in 1960. Similarly, about 83 percent of the United Kingdom's tobacco imports in 1965 were in stemmed form, compared with 70 percent in 1964 and only 33 percent in 1960.

In 1965 the United Kingdom ranked third--exceeded only by the United States and Bulgaria--in the exportation of cigarettes, which make up most of the United Kingdom's tobacco exports. In July 1965-April 1966, cigarette exports of the United Kingdom were 17 percent above a year earlier. Among the principal markets, more British cigarettes than a year earlier were shipped to Kuwait, Aden, Hong Kong, Malaysia and Singapore, West Germany, French Somaliland, Persian Gulf States, the Netherlands, and Cyprus, but fewer went to Sudan, Libya, and Gibraltar.

Manufacturers' stocks of leaf tobacco in the United Kingdom on March 31, 1966, amounted to 500 million pounds--9 million above the 5-year low for that date a year earlier, but 15 million less than 2 years earlier. Total flue-cured stocks, at 453 million pounds, were about equal to those a year ago, but there were marked changes in holdings by source country. Stocks of U.S. flue-cured fell 6 percent to 205 million pounds, and were the smallest March 31 holdings in 11 years. On the other hand, stocks of Rhodesian flue-cured, at 141 million pounds, and Canadian flue-cured, 60 million, rose 9 and 8 percent, respectively, to record levels for that time of year. Stocks of Indian flue-cured, about 47 million pounds, were down a little from March 31, 1965. British stocks of Malawi dark fire-cured and Indian air- and sun-cured increased moderately, and of Malawi air- and sun-cured, increased sharply.

UNITED STATES IMPORTS AND STOCKS OF FOREIGN-GROWN TOBACCO 2/

U.S. imports for consumption of foreign-grown tobacco during January-April 1966 were 9 percent less than a year earlier. Cigarette leaf imports were down 6 percent; those from Turkey and Greece declined 1 and 5 percent, respectively, and from Yugoslavia, dropped nearly a fourth.

January-April 1966 general imports of cigarette leaf--which include quantities going into bonded warehouses in addition to those entering consumption channels upon arrival--jumped 56 percent above those a year earlier (affected by the dock strike). Larger arrivals from Turkey accounted for the bulk of the increase, although arrivals from Greece were also up substantially. The average value per pound of general imports from Turkey declined 11 cents from that a year earlier, while the comparable figure for Greek tobacco rose about 5 cents.

Stocks of foreign-grown cigarette and smoking tobacco in the United States on April 1, 1966, totaled 352 million pounds (farm-sales weight equivalent)--16 percent above a year earlier and largest holdings for any date on record.

2/ Imports of tobacco are on a declared-weight basis and stocks are on a farm-sales weight basis.

Table 15.--United States imports for consumption of unmanufactured tobacco, from principal supplying countries, for specified periods

(Declared weight)

Classification and country of origin	Average 1958-62	1963	1964	1965 1/	January-April 1965 1/	January-April 1966 1/	1966 as a percentage of 1965
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Pct.
Cigarette leaf							
Unstemmed:							
Turkey	74.0	84.5	72.3	83.6	28.2	27.8	99
Greece	31.8	28.8	30.9	36.0	12.9	12.2	95
Yugoslavia	5.6	9.6	10.2	12.9	4.9	3.7	76
Italy	1.7	1.7	1.6	1.4	.9	.1	11
Cyprus	1.0	.6	.8	.8	.2	.2	100
Syria	.8	.4	.4	.2	.1	.1	100
Total 2/	117.5	128.4	118.4	137.9	48.2	45.3	94
Flue-cured and burley	3/.2	.6	.4	.3	.3	.5	167
Cigar leaf (filler)							
Cuba:							
Stemmed	6.6	1.0	.5	.2	.1	.1	100
Unstemmed	3.7	1.4	1.5	.6	.3	.1	33
Philippine Republic:							
Stemmed	.2	.9	.4	4/	0	4/	---
Unstemmed	.1	4/	4/	4/	0	4/	---
Colombia	.2	.2	.3	.1	4/	.4	---
Brazil	.2	.6	.8	.6	.2	.3	150
Paraguay	.1	.1	.1	.4	.2	.1	50
Dominican Republic	.3	.3	.7	.8	.2	.3	150
Mexico	4/	.6	.8	1.0	.4	.4	100
Total 2/	11.7	5.3	5.9	4.3	1.6	1.8	112
Scrap:							
Cuba	12.5	3.3	2.3	1.6	.4	.6	150
Philippine Republic	8.7	12.9	14.1	14.1	4.8	5.5	115
Peru	.4	.2	4/	.3	4/	4/	---
Colombia	.9	5.3	8.0	5.5	2.1	1.3	62
Dominican Republic	.9	5.2	9.3	7.6	3.4	1.3	38
Netherlands	.1	.1	.1	4/	4/	.1	---
Indonesia	.2	1.0	2.1	1.3	.6	.1	17
Brazil	.1	1.9	3.8	3.6	1.7	1.0	59
Argentina	.1	.4	.5	.4	.2	.1	50
Paraguay	4/	.4	.6	.9	.2	.4	200
Total 2/	25.1	33.0	42.9	38.9	14.8	11.8	80
Cigar wrapper (unstemmed):							
Cuba	.6	.2	.1	4/	4/	4/	---
Cameroon Republic	4/	4/	4/	.1	4/	4/	---
Honduras	4/	4/	4/	.1	4/	4/	---
Total 2/	.6	.3	.2	.2	.1	.1	100
Total imports 5/	155.8	167.8	168.7	182.6	65.4	59.7	91

1/ Preliminary.
2/ Includes relatively small quantities from other countries not separately listed.
3/ 1960-62 average.
4/ Less than 50,000 pounds.
5/ Includes stems not cut, ground, or pulverized.

Compiled from publications and records of the Bureau of the Census.

Table 16.--United States general imports of tobacco, quantity and average value per pound, average 1958-62, annual 1963-65, and January-April 1966

Classification and country of origin	1958-62		1963		1964		1965		Jan.-April 1966	
	Quantity	Average value per pound	Quantity	Average value per pound	Quantity	Average value per pound	Quantity	Average value per pound	Quantity	Average value per pound
	Mil. lb.	Ct.	Mil. lb.	Ct.	Mil. lb.	Ct.	Mil. lb.	Ct.	Mil. lb.	Ct.
Cigarette leaf (unstemmed):										
Turkey	88.9	57.8	67.4	70.1	68.1	76.2	79.8	69.0	88.2	61.3
Greece	31.7	75.0	41.7	98.7	46.4	93.0	35.7	83.4	28.1	86.4
Other countries	15.3	62.4	11.0	70.0	18.7	77.1	14.0	74.2	14.7	72.4
Total	135.9	62.3	120.1	80.0	133.2	82.2	129.5	73.6	131.0	68.0
Scrap:										
Turkey	1.0	5.0	.7	7.2	.1	3.7	7.1	7.3	1.0	7.9
Flue-cured and burley	1/.2	27.6	.7	*	.5	34.2	1.0	32.0	.5	39.6
Cigar wrapper (unstemmed):										
Cuba	.5	372.9	0	---	0	---	0	---	0	---
Cameroon Republic	2/	---	.1	345.3	.1	450.1	.1	842.0	2/	---
Honduras	0	---	.1	400.0	.1	444.3	.1	488.4	2/	---
Total 3/	.6	378.5	.2	418.0	.2	448.3	.4	529.9	.1	453.8
Cigar filler (stemmed):										
Cuba	6.7	152.3	0	---	0	---	0	---	0	---
Philippine Republic	.2	31.6	2.3	29.7	1.2	29.2	2.2	25.9	2/	---
Brazil	2/	---	1.9	83.9	.2	64.4	.2	74.7	.2	89.8
Mexico	2/	---	.2	75.1	.5	89.7	.5	102.6	.2	115.2
Dominican Republic	0	---	.2	131.1	.5	139.3	.9	157.5	2/	---
Honduras	2/	---	.1	102.9	.2	138.4	.2	125.6	.1	116.0
Total 3/	7.0	146.0	5.1	61.7	3.1	79.8	4.2	75.2	.6	105.1
Cigar filler (unstemmed):										
Cuba	16.5	71.5	0	---	0	---	0	---	0	---
Philippine Republic	1.5	10.0	.1	30.1	1.2	19.1	.8	23.0	.2	21.2
Dominican Republic	3.0	28.0	6.5	38.5	22.1	39.3	2.5	52.3	.2	43.6
Colombia	3.0	25.4	8.8	29.4	17.3	29.2	7.0	32.0	3.3	21.3
Brazil	.7	48.2	2.3	48.8	10.2	40.7	9.3	52.9	.5	45.9
Paraguay	.6	17.0	.8	19.1	1.2	19.1	1.8	19.1	.1	14.5
Indonesia	.7	39.2	1.9	48.8	6.2	55.6	2.5	55.3	2/	---
Netherlands	.3	41.8	2/	---	.2	23.9	0	---	2/	---
Peru	1.3	10.5	0	---	0	---	2.1	15.0	0	---
Argentina	.1	18.0	2/	---	1.6	22.4	.2	17.9	0	---
Mexico	.1	33.3	.9	33.9	2.1	37.5	2.3	40.4	.2	38.0
Jamaica	.1	34.4	2/	---	0	---	2/	---	2/	---
Other countries	2/	---	.2	109.2	.4	37.0	1.1	54.5	.5	40.0
Total	27.9	52.4	21.7	36.6	62.5	37.0	29.6	41.5	5.0	28.3
Scrap:										
Cuba	6.6	57.5	0	---	0	---	0	---	0	---
Philippine Republic	8.8	30.2	10.2	29.5	15.0	29.3	23.9	27.4	8.8	27.9
Dominican Republic	2/	---	.6	50.4	1.1	51.4	1.0	58.2	2/	---
Colombia	2/	---	2/	---	0	---	0	---	0	---
Brazil	.1	38.0	.1	58.1	.8	34.0	.1	33.6	.1	24.4
Paraguay	.1	18.1	.1	28.0	.1	28.4	.1	26.1	.4	20.4
Indonesia	2/	---	2/	---	.3	64.8	2/	---	2/	---
Netherlands	.1	26.4	.2	46.6	0	---	2/	---	2/	---
Argentina	.1	47.0	.4	52.0	.3	58.9	.1	74.2	.1	74.1
Honduras	2/	---	2/	---	.1	55.9	.1	54.5	2/	---
Other countries	.6	12.9	.4	24.8	.6	38.1	.6	33.3	.2	22.5
Total	16.4	40.7	12.0	31.5	18.4	32.3	25.9	28.9	9.6	28.1
Total cigar tobacco	51.9	64.9	38.9	40.2	84.1	38.7	60.1	41.3	15.2	33.1
Grand total	188.9	62.7	160.3	70.0	218.0	65.3	4/197.7	61.2	147.7	63.8

1/ 1960-62 average. 2/ Less than 50,000 pounds. 3/ Includes quantities from other countries not separately listed. 4/ Includes scrap from Canada and filler from Japan. Detail may not add to total, due to rounding. *Omitted because computed value unaccountably high.

Note: General imports include all arrivals in the United States as distinguished from "imports for consumption" which represent merchandise entering into domestic consumption channels.

Imports for consumption of scrap tobacco (small pieces of leaves used in cigars) fell 20 percent below January-April 1965; declines in imports from the Dominican Republic, Colombia, Brazil, and Indonesia more than offset a moderate gain in Philippine scrap. Cigar filler imports were up from a year earlier, mainly due to an increase in Colombian leaf.

General imports of cigar tobacco during January-April 1966 were only about half those a year earlier, attributable mainly to sharp cuts in arrivals of unstemmed cigar filler from Brazil, the Dominican Republic, and Colombia. Arrivals of scrap from the Philippine Republic were also down appreciably. General imports of cigar tobacco and the average values per pound during January-April 1966 and in prior years are shown in table 16.

April 1, 1966, stocks of foreign-grown cigar tobacco, by country of orgin, are shown on page 37.

OUTLOOK AND SITUATION FOR TOBACCO LEAF

Flue-cured, Types 11-14

1966-67 Supplies

Taking into account the trend in average yield per acre as modified by the limitations of the acreage-poundage program, it seems likely that the 1966 production may be about 1,198 million pounds--one-eighth larger than the 1965 production sold. (A relatively small quantity of 1965 tobacco may be sold on 1966 auctions, but an estimated 17 million pounds harvested and cured in 1965 were not, nor will be, sold.) The increase in this year's marketings over last will be mainly due to increased marketings by growers who last year fell short of their poundage quotas. Under the acreage-poundage program, growers can make up for last year's undermarketings by selling that much additional this year; those that overmarketed last year have reductions in their quotas this year equivalent to their overmarketings. Individual growers' acreage allotments are also adjusted to take into account last year's undermarketings or overmarketings. In 1965, undermarketings were about 69 million pounds larger than overmarketings. In 1966, as in 1965, farmers who comply with their farm acreage allotment can market up to 110 percent of their poundage quota with price support; but marketings beyond 100 percent of the farm poundage quota will be deducted from the 1967 quota for the farm.

Carryover of flue-cured tobacco on July 1, 1966, is estimated at about 2,434 million pounds--down 121 million from the peak of a year earlier. If the production that will be sold should equal 1,198 million pounds, the 1966-67 total supply would be 3,632 million pounds--slightly above 1965-66 but 142 million below the peak level of 1964-65. The 1966-67 supply would be about 2.8 times anticipated disappearance (combined domestic use and exports), compared with a ratio of 3.1 in 1964-65 when supplies were the largest on record. A supply-disappearance ratio of about 2.5 is considered to represent a fairly well balanced situation.

Domestic Use and Exports

Partial-year data indicate that domestic use of flue-cured in the year just ending (July 1965-June 1966) may be around 765 million pounds--roughly 10 million below 1964-65. The method for deriving the domestic use figure provides an approximation, but it does not provide a precise measurement of manufacturers' usings in a given 12-month period. Cigarette output--the predominent outlet--is estimated to have been slightly higher in 1965-66 than in 1964-65. The filter tip proportion rose and

these require less tobacco than nonfilter tips per unit of output. It appears likely that the proportion of reconstituted sheet tobacco used may have increased a bit, and also the use of imported tobacco probably gained some.

Exports of flue-cured tobacco in 1965-66 are estimated at around 415 million pounds--nearly 30 million under 1964-65. A broadened program to assist tobacco exports was announced on June 10 by the U. S. Department of Agriculture. Under this program, a payment of 5 cents per pound will be made on exports of tobacco produced in any crop year if the 1966 crop of that kind of tobacco is to receive price support. Shipments in June were probably light, since shippers were awaiting issuance of regulations covering terms and conditions under which the program was to operate. Exports of flue-cured tobacco in 1966-67 are expected to rise significantly above the low level of the previous 2 years. Exports were already being aided by the policy applicable to sales of 1960-62 crop tobaccos under Government loan, and also applicable to 1960-62 tobaccos held by the trade. Upon proof of exportation of such 1960-62 tobaccos, a 5-cents-per-pound rebate or payment is made. The Flue-cured Tobacco Cooperative Stabilization Corporation--the growers' association handling Government loan stocks of flue-cured tobacco--reported June 1 that 21 million pounds had thus far been sold to customers who could export and qualify for the 5-cents-per-pound rebate. Also, the sale--on a bid basis--of the major part of the 1957-59 loan stocks remaining as of mid-February is expected to aid flue-cured exports. About 59 million pounds (farm-sales weight) were sold on a bid basis at prices that made it available to world markets more competitively priced than before.

During July 1965-April 1966, exports of flue-cured (unstemmed equivalent) to the United Kingdom--the leading export outlet--were 19 percent below a year earlier and lowest in several years. Flue-cured tobacco exports to West Germany--second ranking outlet--were up about 4 percent, and those to Japan--third ranking outlet--jumped 56 percent. The next 3 ranking outlets--the Netherlands, Australia, and Belgium--took 42, 29, and 4 percent more, respectively, than in the like period a year earlier. On the other hand, less went to Ireland, Denmark, Sweden, Finland, Portugal, France, Austria, Italy, Hong Kong, and Taiwan in the recent period than in July 1964-April 1965. Among the countries that increased their takings over the year-earlier period were Norway, Switzerland, New Zealand, Thailand, South Vietnam, and Malaysia. Egypt took a substantial quantity under P. L. 480--about triple the volume of a year earlier.

Prices and Price Support

The 1965 marketings brought an average of 64.6 cents per pound--about 6 cents higher than the average for the 3 preceding crops and slightly topping the 64.3 cents per pound received for the 1961 crop. The Government support level for the 1965 crop was 57.7 cents per pound. About $6\frac{3}{4}$ percent of the deliveries to market went under Government loan--a marked contrast with 1964 and 1963 when over a fifth of each crop went under Government loan.

There have been substantial sales from Government loan stocks in the past year. During the 11 months through May 31, 1966, 188 million pounds (farm-sales weight) were sold compared with 85 million pounds in the preceding year. Government loan stocks of flue-cured on May 31 totaled 777 million pounds compared with the peak holdings of 960 million pounds on January 1, 1965.

The 1966 crop support level is 58.8 cents per pound--nearly 2 percent above 1965 and 6 percent above 1959. The increase in the support price reflects the change in the parity index between 1959 and the recent 3-year average (1963-1965) as prescribed by law. The parity index measures changes in prices paid by farmers for commodities and services.

Table 17.--Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, July 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	1,483	2,056	3,539	1,281	728	553
1956	1,423	2,258	3,681	1,170	705	465
1957	975	2,511	3,486	1,178	737	441
1958	1,081	2,308	3,389	1,179	736	443
1959	1,081	2,210	3,291	1,185	766	419
1960	1,251	2,106	3,357	1,267	792	475
1961	1,258	2,090	3,348	1,267	782	485
1962	1,408	2,081	3,489	1,208	777	431
1963	1,371	2,282	3,653	1,267	769	498
1964	1,388	2,386	3,774	1,219	775	444
1965	1,059	2,555	3,614	*1,180	*765	*415
1966 2/	*1,198	*2,434	*3,632			

Year	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on May 31, 1966 4/
			Quantity	Percentage of crop	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1955	52.7	48.3	298.9	20.2	0
1956	51.5	48.9	319.9	22.5	0
1957	55.4	50.8	107.8	11.1	7.0
1958	58.2	54.6	144.8	13.4	4.5
1959	58.3	55.5	55.3	5.1	.6
1960	60.4	55.5	51.8	4.1	28.5
1961	64.3	55.5	70.3	5.6	46.6
1962	60.1	56.1	237.2	16.8	188.1
1963	58.0	56.6	277.2	20.2	196.5
1964	58.5	57.2	285.6	20.7	236.8
1965	64.6	57.7	71.5	6.8	68.4
1966		58.8			
Total	---	---	1,920.3	---	777.0

1/ Year beginning July 1. 2/ Subject to revision. 3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 4/ As reported by Flue-cured Tobacco Cooperative Stabilization Corp.; the unstemmed loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures.

*Preliminary estimates--production based on an average yield with an allowance for trend.

In the coming marketing season, price supports will be available on untied tobacco of all grades during the first 12 days on all markets in South Carolina, North Carolina, and Virginia. In the past 3 seasons in these markets, prices of untied flue-cured tobacco graded as lugs, primings, and in the nondescript grades thereof, were supported for the first 7 days. Shortage of labor for tying tobacco and favorable prices for tobacco in untied form in recent seasons led many farmers to strongly urge additional marketings of untied tobacco. Price support for untied tobacco will be 3 cents lower for each grade than for tied tobacco--the same differential as in the 1965 season. In the areas where most tobacco is marketed in tied form, price support for tied tobacco is in effect throughout the marketing season. In Georgia-Florida, where for many years all flue-cured marketings have been in untied form, price support on an untied basis is available for all grades throughout the marketing season.

As in past marketing seasons, no price support will be offered on any tobacco graded N2, No-G, U (unsound), W (doubtful keeping order) or scrap. Any such tobacco marketed will be charged against the quotas for the farms on which it was produced. It is expected that a normal supply of such tobaccos will be available during the marketing year.

Burley, Type 31

1966-67 Supplies

Burley acreage for 1966 is down an indicated 13 percent from 1965. Acreage allotments for farms not covered by special provisions applying to small allotments were reduced 15 percent. Based on an average yield per acre, with allowance for trend, the 1966 burley crop would be 543 million pounds--7 percent less than the 1965 crop.

Carryover on October 1, 1966 (beginning of the 1966-67 marketing year), is expected to be near 1,395 million pounds--around 20 million less than a year earlier. If this year's crop should be near 543 million pounds, total 1966-67 supplies--production plus indicated carryover--would be 1,938 million pounds, about 3 percent below those for the current year.

Domestic Use and Exports

In the year ending September 30, 1966, domestic use of burley may approximate 550 million pounds--about 2 percent below the unusually large figure of 1964-65. The 1964-65 domestic disappearance was larger than could have been expected on the basis of the level of cigarette output, chief outlet for burley, especially when reduced outputs of smoking and plug chewing tobacco, secondary outlets, are also considered. In the current marketing year, cigarette output may be up some from 1964-65, but output of smoking and plug chewing tobacco will likely be smaller.

Exports of burley in 1965-66 may approximate the 56 million pounds (farm-sales weight) of the previous year. In the first 7 months of the current marketing year, burley exports (farm-sales weight basis) were 11 percent above the year-earlier figure, affected by the dock strike. There were large percentage increases in exports to West Germany, Republic of the Congo, Egypt, Denmark, Belgium, Thailand, Australia, France, Switzerland, and Norway, while a sizable quantity went to Tunisia, in contrast with none a year earlier. But exports to Sweden, Mexico, Hong Kong, Austria, and Finland were down sharply while those to Portugal, the Netherlands and Chile were down moderately. Only a minor quantity was reported shipped to Italy, which in the 1964-65 marketing year took over 7 million pounds (farm-sales weight).

Table 18.--Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	470	1,347	1,817	518	484	34
1956	506	1,299	1,805	510	482	28
1957	488	1,295	1,783	506	478	28
1958	465	1,277	1,742	518	483	35
1959	502	1,224	1,726	535	499	36
1960	485	1,191	1,676	549	508	41
1961	580	1,127	1,707	570	525	45
1962	675	1,137	1,812	584	531	53
1963	755	1,228	1,983	571	514	57
1964	620	1,412	2,032	616	560	56
1965	586	1,416	2,002	*606	*550	*56
1966 2/	*543	*1,395	*1,938			

Year	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on May 31, 1966 4/
			Quantity	Percentage of crop	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1955	58.6	46.2	73.1	15.6	0
1956	63.6	48.1	6.0	1.2	0
1957	60.3	51.7	16.6	3.4	0
1958	66.1	55.4	11.2	2.4	0
1959	60.6	57.2	13.2	2.6	0
1960	64.3	57.2	8.4	1.7	0
1961	66.5	57.2	10.3	1.8	0
1962	58.6	57.8	63.5	9.4	36.7
1963	59.2	58.3	202.3	26.8	115.8
1964	60.3	58.9	110.4	17.8	90.9
1965	66.9	59.5	42.4	7.2	42.2
1966		60.6			
Total	---	---	557.4	---	5/285.6

1/ Year beginning October 1.
2/ Subject to revision.
3/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.
4/ Actual loan stocks on a packed-weight basis average about 11 percent less than these farm-sales weight figures.
5/ Probably around 30 million pounds of these holdings have been sold.
* Preliminary estimates--production based on an average yield with allowance for trend.

Prices and Price Support

The average price for the 1965 burley crop was a record 66.9 cents a pound--more than a tenth above 1964. Last season, growers placed about 42 million pounds--7 percent of the crop--under loan, the smallest quantity and percentage in 4 years. As of May 31, 1966, Government loan stocks of burley amounted to 286 million pounds (farm-sales weight equivalent), compared with 324 million 1 year earlier and 293 million 2 years earlier. Probably around 30 million pounds have been sold from May 1966 holdings.

The 1966 price support level is 60.6 cents a pound--1.1 cents or about 2 percent above the overall level for the 1965 crop.

Maryland, Type 32 3/

1966-67 Supplies

According to farmers' intentions as of March 1, Maryland acreage this year will be a little larger than harvested in 1965. Acreage allotments are not in effect, since growers disapproved marketing quotas in last February's referendum. Based on an average yield with allowance for trend, about 37.4 million pounds would be produced from 1966 intended acreage--about 3 percent less than the 1965 estimated outturn.

Carryover next January 1 may be near 95 million pounds--about 5 million above last January 1 and the largest on record. The 1966-67 indicated total supply, at about 132 million pounds, is about 3 percent more than for 1965-66 and above any previous year.

Domestic Use and Exports

Domestic use of Maryland tobacco may be moderately below the 4-year high of 1964-65. The chief domestic outlet for Maryland is in the manufacture of cigarettes, but the quantity used for this purpose has not kept pace with expanded cigarette output. Some Maryland is also used as cigar filler, depending upon the availability and prices of certain grades.

Exports of Maryland tobacco in 1965-66 may approximate 12 million pounds (farm-sales weight)--about a fourth above 1964-65 shipments, lowest in 10 years. In the first 7 months of the current marketing year, exports were 30 percent ahead of those a year earlier (affected by the dock strike). Exports to Switzerland, accounting for nearly three-fifths of the total, were up 15 percent, while those to West Germany more than doubled. Belgium and Portugal also sharply increased takings, and a significant quantity went to South Vietnam. On the other hand, the Netherlands cut takings 25 percent, and none was reported shipped to France, in contrast with a significant quantity a year earlier.

Prices and Price Supports

Auction sales of the 1965 Maryland tobacco crop began April 12 and are scheduled to end July 1. Through June 22, auction sales totaled 30.9 million pounds and averaged 66.1 cents per pound, compared with 62.4 cents in the corresponding period last year.

3/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of the January 1 falling within the marketing year, October 1 through September 30. Disappearance is calculated on the October-September basis.

Table 19.--Maryland tobacco, type 32: Domestic supplies, disappearance, season average price and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks following Jan. 1 1/	Supply	Disappearance 2/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	31.5	77.5	109.0	38.6	25.7	12.9
1956	36.5	69.7	106.2	34.9	21.4	13.5
1957	38.5	69.4	107.9	37.0	25.0	12.0
1958	31.1	70.9	102.0	39.4	24.1	15.3
1959	31.2	64.2	95.4	32.3	20.4	11.9
1960	34.7	61.7	96.4	35.6	23.6	12.0
1961	38.8	60.6	99.4	32.6	20.7	11.9
1962	40.6	67.3	107.9	30.7	19.5	11.2
1963	34.5	76.6	111.1	31.0	18.5	12.5
1964	42.3	82.0	124.3	33.0	23.4	9.6
1965 3/	38.5	90.1	128.6	*33.5	*21.5	*12.0
1966 3/	*37.4	*95.0	*132.4			

Year	Average price per pound	Price support level 4/	Placed under Government loan		Remaining in Government loan stocks on May 31, 1966 5/
			Quantity	Percentage of crop	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1955	50.8	No price support 6/			
1956	51.7	47.0	3.3	9.0	0
1957	44.9	48.0	5.9	15.3	1.6
1958	62.5	50.8	1.1	3.6	.2
1959	61.6	No price support 6/			
1960	63.8	50.8	1.6	4.6	.4
1961	62.0	50.8	3.7	9.5	1.2
1962	55.8	51.3	6.0	14.8	2.6
1963	43.2	51.8	10.4	30.1	9.9
1964	62.5	52.3	4.2	10.1	4.0
1965	*66.1	52.8	7/	7/	7/
1966		No price support 6/			
Total	---	---	36.2	---	19.9

1/ For marketing quota purposes, the carryover and total supply of Maryland tobacco are calculated as of January 1 falling within the marketing year--October 1 through September 30. 2/ Year beginning October 1. 3/ Subject to revision. 4/ Through 1959--90 percent of parity price; 1960 set at 1959 level; from 1961 on, adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years. 5/ Actual loan stocks on a packed-weight basis average about 2 percent less than these farm-sales weight figures. 6/ Marketing quota not in effect since over one-third of growers voting disapproved. 7/ Through June 22 about 2.4 million pounds, about 8 percent of deliveries. *Preliminary estimates--production based on an average yield with allowance for trend; price is auction market average through June 22.

In addition to the auction volume, about 2.2 million pounds have been received at the Baltimore hogshead market, which opened for competitive sealed bids on April 14. Combined market receipts of Maryland tobacco thus totaled about 33 million pounds, about 86 percent of the estimated 1965 crop.

The overall support level for 1965 Maryland tobacco is 52.8 cents a pound. Through June 22, about 8 percent of auction market deliveries were placed under Government loan, compared with nearly 11 percent a year earlier. The 1966 Maryland crop, to be marketed mostly in 1967, will not receive Government price support, since marketing quotas are not in effect for that crop. Maryland tobacco growers also are not eligible for full payments under the cropland adjustment program, since their 1966 crop is not a "quota crop". Growers will have another opportunity to vote in a referendum in 1967 on whether to have quotas on the 1967-69 crops.

Fire-Cured, Types 21-23

1966-67 Supplies

The intended 1966 acreage of Kentucky-Tennessee fire-cured is down 6 percent from last year, while that of Virginia fire-cured is down 3 percent. Acreage allotments for most farms are about the same as for 1965. If yield per acre equals the average (with allownace for trend), production of the combined fire-cured types would be near 49 million pounds--approximately 3 million above the 1965 crop, which was smallest in 5 years.

Carryover on October 1, 1966, may be around 110 million pounds--nearly 10 million less than last October 1. Such carryover, added to the indicated crop, would provide a total 1966-67 supply approximating 159 million pounds--4 percent below 1 year earlier and 8 percent below 2 years earlier.

Domestic Use and Exports

Based on early indications, domestic use of the combined fire-cured types in October 1965-September 1966 may be around 24 million pounds, moderately below the previous year. Domestic use of both Virginia and Kentucky-Tennessee fire-cured may decline, but the drop in the Virginia type may be relatively sharper.

Exports of fire-cured in the 1965-66 marketing year may be around 32 million pounds (farm-sales weight)--about a sixth above the previous year and second largest in 10 years. During October 1965-April 1966, exports of Kentucky-Tennessee fire-cured jumped 35 percent above those a year earlier. The Netherlands, accounting for over a third of the total, boosted takings 78 percent. Sharply more also went to Switzerland, Belgium, and Sweden, and moderately more, to the Republic of the Congo. Egypt and Tunisia took significant quantities, in contrast with none a year earlier. France, second ranking outlet, reduced takings 9 percent, while South Vietnam cut its takings in half.

Virginia fire-cured exports in October 1965-April 1966 spurted 54 percent ahead of those a year earlier. Substantially increased exports went to Norway, Sweden, West Germany, and New Guinea, while Thailand took a sizable quantity; a year earlier, none went to Thailand. Some Virginia fire-cured was also shipped to Syria and East Germany. The United Kingdom--in recent years the second ranking market for this type--slashed its takings 68 percent.

Table 20.--Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	10.5	26.6	37.1	12.7	6.7	6.0
1956	10.7	24.4	35.1	10.3	4.8	5.5
1957	8.6	24.8	33.4	9.6	4.2	5.4
1958	9.4	23.8	33.2	10.7	5.3	5.4
1959	10.0	22.5	32.5	10.3	4.9	5.4
1960	8.9	22.2	31.1	10.2	4.0	6.2
1961	9.8	20.9	30.7	10.8	5.5	5.3
1962	9.5	19.9	29.4	9.2	4.1	5.1
1963	6.2	20.2	26.4	9.6	3.0	6.6
1964	9.1	16.8	25.9	10.3	3.9	6.4
1965	9.6	15.6	25.2	*10.0	*3.0	*7.0
1966 2/	*9.5	*15.2	*24.7			

Year	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on May 31, 1966 4/
			Quantity	Percentage of crop	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1955	31.3	34.6	1.8	17.1	0
1956	39.5	36.1	1.7	15.9	0
1957	38.7	38.8	1.0	11.6	.5
1958	36.9	38.8	.8	23.4	.9
1959	37.6	38.8	.8	8.1	.3
1960	39.4	38.8	.3	3.3	.1
1961	38.8	38.8	.9	9.8	.4
1962	38.8	39.2	1.2	12.6	.4
1963	35.5	39.6	.4	6.5	.4
1964	43.1	40.0	.3	3.3	.2
1965	39.9	40.4	1.0	10.4	1.0
1966		41.1			
Total	---	---	10.2	---	4.2

1/ Year beginning October 1.
2/ Subject to revision.
3/ Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.
4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.
*Preliminary estimates--production based on an average yield with allowance for trend.

Table 21.--Fire-cured tobacco, types 22-23: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	54.7	110.5	165.2	52.0	24.6	27.4
1956	59.9	113.2	173.1	52.3	27.5	24.8
1957	41.9	120.8	162.7	53.3	29.5	23.8
1958	33.9	109.4	143.3	44.1	24.6	19.5
1959	43.1	99.2	142.3	41.1	22.5	18.6
1960	36.5	101.2	137.7	44.9	23.9	21.0
1961	43.3	92.8	136.1	46.7	17.2	29.5
1962	44.6	89.4	134.0	40.8	21.1	19.7
1963	49.7	93.2	142.9	41.4	19.6	21.8
1964	46.0	101.5	147.5	42.7	21.7	21.0
1965	36.6	104.8	141.4	*46.0	*21.0	*25.0
1966 2/	*39.4	*95.4	*134.8			

Year	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on May 31, 1966 4/
			Quantity	Percentage of crop	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1955	38.4	34.6	7.9	14.4	0
1956	36.1	36.1	18.6	31.1	0
1957	36.4	38.8	13.9	33.1	0.3
1958	38.1	38.8	4.4	12.0	1.1
1959	38.3	38.8	5.3	12.3	2.4
1960	43.3	38.8	3.2	8.7	2.6
1961	40.2	38.8	5.1	11.8	3.9
1962	38.7	39.2	8.6	19.3	6.6
1963	36.9	39.6	13.0	26.2	6.5
1964	41.0	40.0	7.2	15.7	6.0
1965	43.6	40.4	2.3	6.3	2.2
1966		41.1			
Total	---	---	89.5	---	31.6

1/ Year beginning October 1.
2/ Subject to revision.
3/ Through 1957--75 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent calendar years.
4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.
*Preliminary estimates--production based on an average yield with allowance for trend.

Prices and Price Supports

The 1965 season average price for the combined fire-cured types was 42.9 cents a pound--about 4 percent above the preceding year. Virginia fire-cured averaged 39.9 cents, 7 percent below the record 1964 average, but higher than any other year. The season average for Kentucky-Tennessee type 22 was a record 44.7 cents a pound--up 6 percent from the preceding year. For Kentucky-Tennessee type 23, the 1965 season average, at 40.9 cents, exceeded the previous year's average by 7 percent and was second highest on record.

The Government price support level for 1965 fire-cured was 40.4 cents a pound. Loan placements of Virginia fire-cured totaled about 1 million pounds (about a tenth of the crop), nearly 4 times the record-low figure a year earlier. Placements of types 22 and 23 dropped below the previous year, amounting to 1.8 million and 0.5 million pounds, or 7 percent and 5 percent of the respective crops. For the 1966 fire-cured crop, the overall support level is 41.1 cents a pound--0.7 cent or about 2 percent above the 1965 support.

Dark Air-Cured and Sun-Cured, Types 35-37

1966-67 Supplies

The indicated 1966 acreage of types 35-36 is down 6 percent from 1965, and that of Virginia sun-cured is down 11 percent. Allotments for most farms are about the same as last year. Based on an average yield per acre, with allowance for trend, 1966 production of dark air-cured and sun-cured would be about 20.7 million pounds, slightly larger than the 1965 crop.

Carryover of types 35-37 this October 1 (beginning of the 1966-67 marketing year) is estimated at near 64 million pounds--approximately 2 million less than last October 1. The combined carryover added to the indicated crop would provide a total 1966-67 supply of about 84½ million pounds--3 percent less than for the current marketing year.

Domestic Use and Exports

In the year ending next September 30, domestic use of dark air- and sun-cured tobacco is estimated at about 18½ million pounds--5 percent below 1964-65. Relatively little change may occur in use of Virginia sun-cured but domestic use of dark air-cured, types 35-36, may be moderately lower. In the first half of the current marketing year, manufacture of plug, twist, and fine-cut chewing tobacco--major domestic outlet for these types--was a little below the year-earlier level.

Exports of dark air-cured tobacco in 1965-66 may approach 4½ million pounds (farm-sales weight)--not much different from 1964-65. During October 1965-April 1966, exports of One Sucker leaf were about a fifth larger than a year earlier. Belgium and the Republic of the Congo accounted for most of the total, Belgium tripling its year-earlier takings and the Congo increasing its takings 30 percent. The quantity going to South Vietnam was sharply lower than a year ago. Exports of Green River leaf dropped 29 percent below the relatively large total in October 1964-April 1965. Australia took appreciably more, but less than a year earlier went to the United Kingdom and to the Republic of the Congo. None was reported exported to South Vietnam, in contrast with a significant quantity a year earlier.

Table 22.--Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	27.8	76.6	104.4	23.6	18.4	5.2
1956	30.7	80.8	111.5	34.0	23.4	10.6
1957	19.8	77.5	97.3	24.8	18.5	6.3
1958	16.1	72.5	88.6	25.0	17.5	7.5
1959	19.3	63.6	82.9	21.9	16.4	5.5
1960	18.2	61.0	79.2	22.0	17.3	4.7
1961	20.6	57.2	77.8	22.6	17.9	4.7
1962	22.5	55.2	77.7	19.5	16.5	3.0
1963	24.2	58.2	82.4	21.2	18.1	3.1
1964	22.7	61.2	83.9	22.0	18.0	4.0
1965	18.5	61.9	80.4	*21.0	*17.0	*4.0
1966 2/	*18.8	*59.4	*78.2			

Year	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on May 31, 1966 4/
			Quantity	Percentage of crop	
	Ct.	Ct.	Mil. lb.	Pct.	Mil. lb.
1955	31.8	30.8	6.3	22.7	0
1956	34.0	32.1	6.6	21.5	0
1957	36.1	34.5	3.0	15.2	0.1
1958	38.4	34.5	.5	2.7	.1
1959	34.5	34.5	3.7	19.2	1.8
1960	37.4	34.5	2.2	12.2	.8
1961	37.8	34.5	1.9	9.2	1.6
1962	36.2	34.8	4.1	18.2	3.5
1963	33.3	35.2	8.3	34.3	7.7
1964	37.0	35.5	3.7	16.3	3.7
1965	37.0	35.9	3.2	17.3	3.2
1966		36.6			
Total	---	---	43.5	---	22.5

1/ Year beginning October 1.
2/ Subject to revision.
3/ Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.
4/ Actual loan stocks on a packed-weight basis are somewhat lower than these farm-sales weight figures.
*Preliminary estimates--production based on an average yield with allowance for trend.

Table 23.--Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods

(Farm-sales weight)

Year	Production	Stocks, Oct. 1	Supply	Disappearance 1/		
				Total	Domestic	Exports
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	3.3	4.2	7.5	2.9	2.1	0.8
1956	3.2	4.6	7.8	2.5	1.9	.6
1957	2.7	5.3	8.0	2.5	1.9	.6
1958	1.9	5.5	7.4	2.5	2.2	.3
1959	2.2	4.9	7.1	1.9	1.6	.3
1960	1.8	5.2	7.0	2.0	1.7	.3
1961	2.2	5.0	7.2	2.1	1.8	.3
1962	2.3	5.1	7.4	2.3	2.0	.3
1963	1.1	5.1	6.2	2.0	1.7	.3
1964	1.8	4.2	6.0	1.7	1.4	.3
1965	2.0	4.3	6.3	*1.9	*1.5	*.4
1966 2/	*1.9	*4.4	*6.3			

Year	Average price per pound	Price support level 3/	Placed under Government loan		Remaining in Government loan stocks on May 31, 1966
			Quantity	Percentage of crop	
	Ct.	Ct.	1,000 lb.	Pct.	1,000 lb.
1955	25.3	30.8	72	2.2	0
1956	35.7	32.1	103	3.2	0
1957	34.0	34.5	11	.4	0
1958	36.8	34.5	29	1.5	0
1959	34.4	34.5	24	1.1	0
1960	37.9	34.5	5	.3	0
1961	39.8	34.5	7	.3	0
1962	37.4	34.8	59	2.6	0
1963	31.4	35.2	92	8.1	0
1964	41.2	35.5	16	.9	0
1965	39.2	35.9	75	3.8	0
1966		36.6			
Total	---	---	493	---	0

1/ Year beginning October 1.
2/ Subject to revision.
3/ Through 1957--66-2/3 percent of burley support; 1958-60 legal basis changed; from 1961 on adjusted to reflect relative change between 1959 parity index and average of parity index for 3 most recent years.
*Preliminary estimates--production based on an average yield with allowance for trend.

A large portion of U. S. exports of dark air-cured tobacco is in the form of Black Fat--a semi-processed product. In October 1965-April 1966, these exports were 8 percent above a year earlier. Nigeria, leading outlet, reduced takings 18 percent and less than a year ago also went to West Africa. But increased exports were made to Ghana, Cameroon, and Togo, and some also went to the Netherlands (probably for transshipment) and to Guinea.

Prices and Price Supports

The 1965 season price for the combined dark air- and sun-cured tobacco crop was 37.3 cents a pound--the same as in the previous year. One Sucker (type 35) averaged 37.6 cents, slightly less than the year before. The 1965 crop of Green River (type 36) brought an average of 36.1 cents--2 percent higher than the 1964 price and second highest on record. The price average for 1965 Virginia sun-cured, at 39.2 cents, was 2 cents (5 percent) below the record average for the 1964 crop but still third highest on record.

The overall level of price support for 1965 dark air-cured and sun-cured was 35.9 cents a pound. In the 1965 season, loan placements (virtually all consisting of types 35-36) totaled 3.2 million pounds--16 percent of the combined crop. The volume was moderately lower, but the proportion was up somewhat. The Government support level for 1966 dark air-cured and sun-cured is 36.6 cents per pound--0.7 cent or about 2 percent higher than in 1965.

Cigar Tobacco, Domestic and Imported

1966-67 Supplies

Filler: Pennsylvania cigar filler acreage in 1966 may be lower than in 1965 and based on average yield adjusted for trend the 1966 production could approximate 46 million pounds--about 5 million lower than in 1965. In 1965, yields per acre averaged second highest on record. Carryover on October 1 may be around 125 million pounds--4½ million below a year earlier, and this plus the new crop would provide a total supply for 1966-67 of about 171 million pounds. This estimate of supply is over 9½ million lower than for 1965-66 and also below that of the 3 preceding years.

Acreage of Ohio filler may be a little below 1965, but based on an adjusted trend yield the 1966 crop may top 6 million pounds--up a half-million from the long-time low of last year. Last year's yield per acre was the lowest in 7 years. Carryover next October 1 may be about 15½ million pounds. Total supply for 1966-67, at roughly 21½ million pounds, would be down over 1 million from 1965-66 and the smallest on record.

The Puerto Rican filler (type 46) planted in late 1965 and mostly harvested in the early months of 1966 might approximate 18 million pounds--down sharply from the large crop of 37.9 million of a year earlier and the smallest in many years. Carryover next October 1 is estimated at 52½ million pounds--down 10 million from the long-time high of October 1, 1965, but second largest in 10 years.

Imported cigar tobacco: In calendar 1965, about 84 million pounds (farm-sales weight) of foreign cigar tobacco arrived in the United States--23 percent less than the big quantity of a year earlier. In January-April 1966, the drop continued and a 44 percent smaller quantity arrived than in the same months of 1965. Arrivals from the Philippine Republic and the Dominican Republic were down 25 and 90 percent, respectively, and those from Colombia and Brazil were down 40 and 86 percent, respectively. Also, there were smaller arrivals of tobacco from Paraguay, Indonesia, and Jamaica, but more came from Mexico and Argentina. The January-April arrivals from Honduras nearly equaled those in the like period of 1965.

April 1 stocks of foreign cigar tobaccos in the United States, compared with 1 and 2 years earlier, are shown below:

Country of origin	April 1 stocks--farm-sales weight		
	1964	1965	1966
	Mil. lb.	Mil. lb.	Mil. lb.
Philippines	17.7	36.6	47.2
Dominican Republic	12.8	23.0	15.0
Colombia	11.0	18.5	15.9
Brazil	7.1	16.6	15.3
Cuba	19.6	12.9	7.8
Indonesia	2.7	7.0	6.6
Paraguay	2.6	4.1	4.3
Other	3.8	7.7	10.6
Total	77.3	126.4	122.7

The stocks of Philippine tobacco are the highest on record for April and reflect the unusually large imports during calendar 1965.

Binder: Connecticut Valley binder tobacco acreage is expected to be near a record low. Production may be about 5 million pounds--not much different from last year. Carryover next October 1 is estimated at around 20 million pounds--down more than 1 million to a new low. Total supply for 1966-67, at approximately 25 million pounds, could be under that of any previous year.

The 1966 acreage in Southern Wisconsin may be near the 1965 level, and in Northern Wisconsin down slightly. Production might approximate 19½ million pounds--close to 1965 harvestings. Carryover next October 1 is estimated at 49½ million pounds, virtually the same as a year earlier. Total supply for 1966-67, at around 69 million pounds, would be little, if any, different from 1965-66 but up about 1½ million from 1964-65.

Wrapper: The 1966 acreage of Connecticut Valley wrapper may be slightly less than in 1965, and acreage of Georgia-Florida wrapper may be down a tenth from the record 1965 level. Production in the Connecticut Valley may be fairly close to last year's 14.6 million pounds, but the 1966 crop in Georgia-Florida was substantially reduced and its quality adversely affected by hurricane Alma. Last year's average yield per acre in the Georgia-Florida area was second lowest in 6 years. Carryover of Connecticut Valley wrapper on July 1 is estimated at about 16 million pounds--up about 1¾ million from a year earlier. Carryover of Georgia-Florida wrapper, at about

Table 24.--Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)

Year	Production	Stocks, October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
Pennsylvania Seedleaf (type 41)							
1955	45.7	113.0	158.7	55.0	54.6	0.4	24.5
1956	48.4	103.7	152.1	46.8	46.6	.2	24.0
1957	41.2	105.3	146.5	42.8	42.7	.1	20.5
1958	51.0	103.7	154.7	50.4	50.1	.3	28.0
1959	53.5	104.3	157.8	48.1	48.0	.1	31.5
1960	52.7	109.7	162.4	47.5	47.4	.1	28.0
1961	53.5	114.9	168.4	45.5	45.4	.1	27.0
1962	60.0	122.9	182.9	2/52.0	2/51.7	.3	23.5
1963	51.8	128.0	179.8	2/44.7	44.2	.5	21.0
1964	45.9	138.1	184.0	54.[illegible]	54.[illegible]	.5	27.0
1965	51.3	129.4	180.7	*56.0	*54.8	*1.2	24.0
1966 3/	*46.0	*125.0	*171.0				
Ohio, Miami Valley (types 42-44)							
1955	7.5	22.9	30.4	7.2	7.2		21.8
1956	6.3	23.2	29.5	6.4	6.4		22.0
1957	4.6	23.1	27.7	7.2	7.2		22.8
1958	2.5	20.5	23.0	5.9	5.9		24.2
1959	6.9	17.1	24.0	6.5	6.5		27.3
1960	6.6	17.5	24.1	6.5	6.5		28.1
1961	7.7	17.6	25.3	5.1	5.1		28.3
1962	7.5	20.2	27.7	6.6	6.6		28.2
1963	6.8	21.1	27.9	8.7	8.7		27.1
1964	5.8	19.2	25.0	8.[illegible]	8.[illegible]		26.7
1965	5.6	17.0	22.6	*7.0	*7.0		26.2
1966 3/	*6.1	*15.5	*21.5				
Puerto Rico (type 46) 4/							
1955	30.0	59.3	89.3	31.7	31.6	.1	25.2
1956	24.0	57.6	81.6	31.3	30.9	.4	30.8
1957	26.7	50.3	77.0	27.4	27.3	.1	27.5
1958	25.6	49.6	75.2	32.8	31.6	1.2	30.0
1959	28.1	42.4	70.5	26.7	26.2	.5	31.6
1960	27.5	43.8	71.3	28.0	27.9	.1	33.7
1961	30.7	43.3	74.0	32.4	32.3	.1	36.8
1962	35.6	41.6	77.2	28.0	28.0	---	38.0
1963	32.0	49.2	81.2	29.8	29.6	.2	40.8
1964	37.9	51.4	89.3	26.7	26.7	---	37.2
1965	5/18.0	62.6	80.6	*28.0			
1966	4/	*52.5					

1/ Year beginning October 1.
2/ Adjusted to take into account 1962 tobacco still held at the farm level at end of 1962-63 marketing year.
3/ Subject to revision.
4/ Puerto Rican planting occurs late in calendar year.
5/ Tentative.
*Preliminary estimates--production based on an average yield with an allowance for trend.

7¾ million pounds, is ½ million above a year earlier, but lower than in each of the preceding 4 years. Prospective total supply for 1966-67 of Connecticut Valley wrapper is about 30¾ million pounds--a new high. The supply of Georgia-Florida wrapper will be lowest in several years due to the reduction in this year's production resulting from hurricane damage.

Disappearance and Exports

Filler: The 1965-66 disappearance of Pennsylvania cigar filler may approach 56 million pounds--about 1½ million above 1964-65. Domestic use may rise slightly to a long-time high and exports will likely top 1 million pounds--more than double those of each of the past 2 years. South Vietnam, Canada, and the United Kingdom were the principal export destinations. The 1965-66 disappearance of Ohio filler is estimated at 7 million pounds--1 million lower than in 1964-65; the 1965-66 disappearance of Puerto Rican filler may approximate 28 million pounds--about 1¼ million more than in 1964-65.

Use of imported filler: During October 1965-April 1966, Philippine tobacco imported for consumption totaled nearly 12 million pounds (farm-sales weight equivalent)--one-fifth less than in the same months a year earlier. Dominican, Colombian, and Brazilian tobaccos entering consumption channels totaled about 13 million pounds; the percentage decreases from the like period of a year earlier for these tobaccos were 48, 37, and 35 percent, respectively. Also, sharply less Indonesian and Argentine tobaccos entered consumption channels, but imports of Mexican and Honduran tobaccos were up more than a fourth and more than a third, respectively. Similarly, imports for consumption of Paraguayan tobacco increased sharply and Jamaican tobacco increased some. During October 1965-March 1966, use of Cuban tobacco from the steadily diminishing stocks in this country was about 2.7 million pounds (farm-sales weight equivalent)--moderately less than in the same period a year earlier.

Binder: The 1965-66 disappearance of Connecticut Valley binder tobacco is estimated at about 6¼ million pounds--roughly 1 million less than 1964-65, and a new low. During the first 7 months of the current marketing year, exports were slightly ahead of those in the same period of 1964-65. The major outlet was Spain with West Germany the next ranking destination. Domestic use appears likely to be down some from 1964-65.

The 1965-66 disappearance of Wisconsin tobacco is estimated at 19½ million pounds--up approximately 1½ million from the long-time low in 1964-65. The rise appears likely in domestic use; exports during the first 7 months of the 1965-66 marketing year were sharply below a year earlier when East Germany took a sizable shipment.

Wrapper: The July 1965-June 1966 disappearance of Connecticut Valley cigar wrapper tobacco is estimated at about 12¾ million pounds--down a little from 1964-65. Domestic use may be 9½ million pounds--about ½ million lower than a year earlier, but exports may be over 3¼ million pounds, up some from a year earlier. During July 1965-April 1966, exports to West Germany--a leading outlet--were up a little and there were substantial relative increases to Britain and East Germany. Other destinations receiving more were Canary Islands, the Netherlands, and Finland. Moderately less went to Canada--a major outlet--and also less went to Spain, Switzerland, and Belgium.

Table 25.--Cigar binder tobacco, types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)

Year	Production	Stocks, October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Connecticut Valley Broadleaf (type 51)							
1955	12.1	33.4	45.5	14.7	14.3	0.4	44.9
1956	7.5	30.8	38.3	12.8	11.3	1.5	59.0
1957	5.1	25.5	30.6	8.4	7.7	.7	50.0
1958	3.6	22.2	25.8	5.8	5.6	.2	54.0
1959	4.5	20.0	24.5	4.1	3.9	.2	45.0
1960	3.6	20.4	24.0	4.6	4.3	.3	44.0
1961	3.1	19.4	22.5	3.7	3.6	.1	43.3
1962	2.9	18.8	21.7	6.2	6.0	.2	53.5
1963	3.7	15.5	19.2	4.6	4.3	.3	51.0
1964	3.8	14.6	18.4	3.7	2/	2/	50.0
1965	3.5	14.7	18.2				47.0
Connecticut Valley Havana Seed (type 52)							
1955	9.9	23.3	33.2	11.6	10.1	1.5	35.0
1956	5.8	21.6	27.4	7.2	5.7	1.5	42.3
1957	3.2	20.2	23.4	7.5	6.3	1.2	44.9
1958	1.8	15.9	17.7	3.2	2.6	.6	49.4
1959	3.2	14.5	17.7	4.9	4.2	.7	41.2
1960	3.2	12.8	16.0	4.2	2.4	1.8	42.5
1961	2.4	11.8	14.2	3.2	2.1	1.1	40.6
1962	2.4	11.0	13.4	3.3	2.6	.7	42.5
1963	2.2	10.1	12.3	4.0	2.7	1.3	41.6
1964	1.9	8.3	10.2	3.6	2/	2/	43.8
1965	1.4	6.6	8.0				47.0
Total Connecticut Valley (types 51-52)							
1955	22.0	56.7	78.7	26.3	24.4	1.9	40.4
1956	13.3	52.4	65.7	20.0	17.0	3.0	51.7
1957	8.3	45.7	54.0	15.9	14.0	1.9	48.2
1958	5.4	38.1	43.5	9.0	8.2	.8	52.4
1959	7.7	34.5	42.2	9.0	8.1	.9	42.6
1960	6.8	33.2	40.0	8.8	6.5	2.3	43.3
1961	5.5	31.2	36.7	6.9	5.7	1.2	42.1
1962	5.3	29.8	35.1	9.5	8.6	.9	48.5
1963	5.9	25.6	31.5	8.6	7.0	1.6	47.5
1964	5.7	22.9	28.6	7.3	5.2	2.1	47.9
1965	4.9	21.3	26.2	*6.2	*4.2	*2.0	47.0
1966 3/	*5.0	*20.0	*25.0				

1/ Year beginning October 1. 2/ Breakdown between domestic use and exports not available for individual types of Connecticut Valley binder tobacco. 3/ Subject to revision. *Preliminary estimates--production based on an average yield with an allowance for trend.

Table 26.--Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)

Year	Production	Stocks, October 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.
Southern Wisconsin (type 54)							
1955	6.7	29.0	35.7	10.3	9.9	0.4	22.9
1956	6.8	25.4	32.2	11.2	11.0	.2	26.1
1957	7.6	21.0	28.6	8.6	8.2	.4	31.1
1958	8.8	20.0	28.8	8.0	7.6	.4	34.6
1959	9.2	20.9	30.1	8.0	7.7	.3	29.3
1960	8.6	22.2	30.8	7.5	7.3	.2	28.0
1961	9.0	23.3	32.3	9.0	8.9	.1	28.7
1962	8.7	23.3	32.0	7.7	7.6	.1	29.3
1963	8.3	24.3	32.6	9.7	9.7	2/	30.0
1964	8.7	22.9	31.6	8.9	3/	3/	32.2
1965	8.5	22.7	31.2				29.7
Northern Wisconsin (type 55)							
1955	14.3	30.9	45.2	13.4	13.1	.3	24.6
1956	13.4	31.8	45.2	13.6	13.4	.2	30.9
1957	12.2	31.6	43.8	17.2	15.1	2.1	33.5
1958	13.0	26.6	39.6	14.4	12.1	2.3	35.2
1959	11.6	25.3	36.9	12.4	11.5	.9	37.1
1960	12.3	24.4	36.7	11.3	10.9	.4	30.6
1961	13.4	25.4	38.8	11.0	10.6	.4	29.6
1962	10.9	27.8	38.7	11.1	10.9	.2	29.1
1963	9.7	27.6	37.3	12.5	12.5	2/	31.6
1964	11.2	24.8	36.0	9.2	3/	3/	35.8
1965	10.8	26.8	37.6				28.9
Total Wisconsin (types 54-55)							
1955	21.0	59.9	80.9	23.7	23.0	.7	24.1
1956	20.2	57.2	77.4	24.8	24.4	.4	29.3
1957	19.8	52.6	72.4	25.8	23.3	2.5	32.6
1958	21.8	46.6	68.4	22.4	19.7	2.7	35.0
1959	20.8	46.2	67.0	20.4	19.2	1.2	33.7
1960	20.9	46.6	67.5	18.8	18.2	.6	29.5
1961	22.4	48.7	71.1	20.0	19.5	.5	29.2
1962	19.6	51.1	70.7	18.9	18.6	.3	29.2
1963	18.0	51.9	69.9	22.2	22.2	2/	30.9
1964	19.9	47.7	67.6	18.1	17.5	.6	34.2
1965	19.3	49.5	68.8	*19.5	*19.1	*.4	29.3
1966 4/	*19.5	*49.5	*69.0				

1/ Year beginning October 1. 2/ Negligible. 3/ Breakdown between domestic use and exports not available for individual types of Wisconsin tobacco. 4/ Subject to revision. *Preliminary estimates--production based on an average yield with an allowance for trend.

Table 27.--Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods

(Farm-sales weight)

Year	Production	Stocks, July 1	Supply	Disappearance 1/			Average price per pound
				Total	Domestic	Exports	
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Cents
	Connecticut Valley Shade-grown (type 61)						
1955	8.8	11.1	19.9	9.3			215.0
1956	10.3	10.6	20.9	9.5			190.0
1957	11.8	11.4	23.2	10.1			205.0
1958	10.2	13.1	23.3	10.3	6.9	3.4	235.0
1959	10.7	13.0	23.7	8.6	6.1	2.5	210.0
1960	12.0	16.2	28.2	11.3	8.8	2.5	190.0
1961	10.3	16.9	27.2	12.0	8.7	3.3	235.0
1962	11.9	15.2	27.1	11.1	8.3	2.8	250.0
1963	12.0	16.0	28.0	14.1	10.0	4.1	260.0
1964	13.5	13.9	27.4	13.1	10.0	3.1	250.0
1965	14.6	14.3	28.9	*12.8	*9.5	*3.3	230.0
1966 2/	*14.6	*16.1	*30.7				
	Georgia-Florida Shade-grown (type 62)						
1955	6.8	6.9	13.7	7.3			185.0
1956	6.8	6.4	13.2	6.1			180.0
1957	7.1	7.1	14.2	6.7			190.0
1958	6.3	7.5	13.8	6.5	4.6	1.9	185.0
1959	7.8	7.3	15.1	7.5	6.1	1.4	195.0
1960	9.3	7.7	17.0	6.5	5.5	1.0	200.0
1961	8.8	10.5	19.3	9.1	6.5	2.6	190.0
1962	7.4	10.2	17.6	8.5	6.4	2.1	205.0
1963	6.7	9.1	15.8	7.6	5.3	2.3	205.0
1964	7.6	8.2	15.8	8.5	7.3	1.2	235.0
1965	8.3	7.3	15.6	*7.8	*6.0	*1.8	225.0
1966 2/	3/	*7.8	3/				
	Total Shade-grown (types 61-62)						
1955	15.6	18.0	33.6	16.6	11.5	5.1	202.0
1956	17.2	17.0	34.2	15.7	11.2	4.5	186.0
1957	18.9	18.5	37.4	16.8	11.5	5.3	199.0
1958	16.5	20.6	37.1	16.8	11.5	5.3	216.0
1959	18.5	20.3	38.8	16.1	12.2	3.9	204.0
1960	21.3	23.9	45.2	17.8	14.3	3.5	194.0
1961	19.1	27.4	46.5	21.1	15.2	5.9	214.0
1962	19.3	25.4	44.7	19.6	14.7	4.9	233.0
1963	18.7	25.1	43.8	21.7	15.3	6.4	240.0
1964	21.1	22.1	43.2	21.6	17.3	4.3	245.0
1965	22.9	21.6	44.5	*20.6	*15.5	*5.1	228.0
1966 2/	3/	*23.9	3/				

1/ Year beginning July 1.
2/ Subject to revision.
3/ Georgia-Florida crop sharply reduced by hurricane Alma.
*Preliminary estimates--production based on an average yield with an allowance for trend.
Note: Stocks data back to 1960 have been revised, and supply and derived disappearance correspondingly so but not 1959-60 disappearance.

Table 28.--Cigar tobacco types: Government price support levels 1963-66 and season average prices, 1963-65

Types	1963		1964		1965		1966
	Price support level 1/	Season average price	Price support level 1/	Season average price	Price support level 1/	Season average price	Price support level 1/
	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.	Ct. per lb.
Puerto Rican filler, type 46	30.3	40.8	30.6	37.2	30.9	n.a.	31.5
Conn. Valley Broadleaf, type 51	( ) ( ) (40.4)	51.0	( ) ( ) (40.8)	50.0	( ) ( ) (41.2)	47.0	( ) ( ) (42.0)
Conn. Valley Havana Seed, type 52	( ) ( )	41.6	( ) ( )	43.8	( ) ( )	47.0	( ) ( )
Ohio filler, types 42-44	( ) ( )	27.1	( ) ( )	26.7	( ) ( )	26.2	( ) ( )
So. Wis., type 54	(29.2) ( )	30.0	(29.5) ( )	32.2	(29.7) ( )	29.7	(30.3) ( )
No. Wis., type 55	( )	31.6	( )	35.8	( )	28.9	( )

1/ Support levels are adjusted to reflect the relative change between the 1959 parity index and the average of the parity index for the 3 most recent calendar years. n.a.--not available.

Table 29.--Cigar tobacco price support operations, quantities placed under loan, 1955-65, and remaining under loan May 31, 1966

Crop	Quantities placed under loan						
	Puerto Rican, type 46	Ohio, types 42-44	Connecticut Valley, type 51	Connecticut Valley, type 52	Southern Wisconsin, type 54	Northern Wisconsin, type 55	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1955	2.8	0.8	7.8	5.2	0.4	3.1	20.1
1956	1.5	.4	1.7	1.6	.1	.9	6.2
1957	2.0	.1	2.5	.4	0	.3	5.3
1958	2.0	0	.3	.1	0	.1	2.5
1959	1.8	0	1.5	.2	.9	1/	4.4
1960	.9	0	1.6	2.6	3.2	3.2	11.5
1961	.4	0	.8	1.9	1.5	4.5	9.1
1962	.7	.1	.2	1.4	.3	4.4	2/7.1
1963	.6	.6	.2	1.3	1.0	3.1	6.8
1964	0	.1	.1	1.0	1/	.8	2.0
1965	3/	.2	.9	.5	.6	3.2	5.4
Total	12.7	2.3	17.6	16.2	8.0	23.6	2/80.4
	Remaining under loan as of May 31, 1966						
1960	0	0	0	.2	0	0	.2
1961	0	0	0	.6	0	0	.6
1962	0	0	0	.4	0	0	.4
1963	0	0	.1	.3	0	0	.4
1964	0	0	.1	.4	0	.3	.8
1965	3/	.2	.9	.4	.6	3.2	5.3
Total	0	.2	1.1	4/2.4	.6	3.5	4/ 7.8

1/ Negligible. 2/ Includes negligible amount from the 1962 crop of New York and Pennsylvania Havana Seed (type 53). 3/Marketings not completed. 4/ Includes about 100,000 pounds of 1957 crop of type 52.

The 1965-66 disappearance of Georgia-Florida cigar wrapper tobacco is estimated at about $7\frac{3}{4}$ million pounds--down about $\frac{3}{4}$ million from 1964-65. Domestic use, at about 6 million pounds, is approximately $1\frac{1}{4}$ million below the unusually high 1964-65 figure; exports seem likely to be near $1\frac{3}{4}$ million pounds--up at least $\frac{1}{2}$ million from a year earlier. During July 1965-April 1966, exports to West Germany--the leading destination--and to East Germany--the next ranking destination--were sharply higher than a year earlier. Canada and Belgium also took more, but less went to Austria and the Netherlands. The Canary Islands received about the same quantity as in the like period of a year earlier.

Prices and Price Supports

The 1965 crop of Pennsylvania filler brought an average price of 24 cents per pound--3 cents less than the 1964 crop and third lowest in 8 years. The 1965 crop of Ohio filler brought an average price of 26.2 cents per pound--$\frac{1}{2}$ cent below 1964 and lowest in 7 years. The average price of Connecticut Valley binder for 1965-crop tobacco was 47 cents--about 3 cents lower than a year earlier for Broadleaf but over 3 cents higher than a year earlier for Havana Seed. Southern Wisconsin tobacco brought an average of 29.7 cents--$2\frac{1}{2}$ cents less than a year earlier, while the Northern Wisconsin average price was 28.9 cents--nearly 7 cents below the 1964 average which was second highest in 18 years. The effect of adverse growing and curing conditions on the quality of the crop was a factor in lowering the price.

For data on overall price support levels for the eligible types, see table 28. Pennsylvania filler (type 41) and cigar wrapper tobacco (types 61-62) do not receive price support.

The Tobacco Situation is published March, June, September and December.

The next issue is scheduled for release September 30, 1966.

Table 30.--Cash receipts from tobacco and percentages of total cash receipts from all farm commodities, by states, average 1958-62, annual 1963-65

State	Average 1958-62		1963		1964		1965 1/	
	Tobacco	Percentage of total receipts	Tobacco	Percentage of total receipts	Tobacco	Percentage of total receipts	Tobacco	Percentage of total receipts
	Mil. dol.	Pct.	Mil. dol.	Pct.	Mil. dol.	Pct.	Mil. dol.	Pct.
North Carolina	500	49.7	547	46.2	564	45.6	455	38.2
Kentucky	227	38.5	259	40.2	349	46.7	255	36.3
South Carolina	95	26.3	97	24.5	94	23.0	88	21.1
Virginia	86	18.1	80	16.7	103	20.6	84	16.4
Tennessee	77	14.8	73	13.2	100	16.9	90	14.4
Georgia	73	9.7	86	9.9	77	8.9	79	8.4
Florida	25	3.1	25	2.8	26	2.6	27	2.8
Maryland	20	7.3	22	7.5	16	5.6	27	8.2
Connecticut	20	13.3	24	16.7	25	16.8	26	17.0
Pennsylvania	14	1.8	14	1.8	11	1.4	12	1.5
Ohio	11	1.1	13	1.2	15	1.4	11	1.0
Indiana	7	.6	9	.7	11	.9	8	.6
Massachusetts	7	4.4	9	5.6	9	5.5	10	6.0
Wisconsin	7	.6	6	.5	6	.5	7	.6
Missouri	3	.3	4	.3	4	.3	3	.2
West Virginia	2	1.9	2	2.0	3	3.0	3	2.8
United States 2/	1,175	3.4	1,269	3.4	1,414	3.8	1,186	3.0

1/ Subject to revision. 2/ U. S. total receipts from tobacco include relatively small receipts for a few States not shown separately.

Table 31.--Tobacco manufacturing corporations: Net sales, net income, and profit ratios, for specified periods

Period	Net sales	Net income		Profit			
		Before Federal tax	After Federal tax	Per dollar of sales		As percentage of stockholders equity (annual basis)	
				Before Federal tax	After Federal tax	Before Federal tax	After Federal tax
	Mil. dol.	Mil. dol.	Mil. dol.	Ct.	Ct.	Pct.	Pct.
Average:							
1947-51	3,058	252	141	8.2	4.6	20.4	11.5
1952-56	3,779	351	159	9.3	4.2	22.6	10.2
1957	4,262	459	220	10.8	5.2	26.0	12.5
1958	4,649	521	249	11.2	5.4	28.2	13.5
1959	4,908	551	265	11.2	5.4	27.8	13.4
1960	5,139	577	281	11.2	5.5	27.5	13.4
1961	5,300	630	303	11.9	5.7	28.3	13.6
1962	5,340	634	306	11.9	5.7	27.1	13.1
1963	5,563	675	327	12.1	5.9	27.6	13.4
1964	5,836	664	345	11.4	5.9	25.8	13.4
1965	6,006	665	354	11.1	5.9	25.4	13.5
Quarterly 1965							
1	1,384	145	76	10.5	5.5	22.0	11.5
2	1,529	171	92	11.2	6.0	26.5	14.3
3	1,561	185	96	11.9	6.1	28.2	14.6
4	1,532	164	90	10.7	5.9	24.8	13.6
1966							
1	1,484	152	80	10.2	5.4	23.0	12.1

Note: Data include non-tobacco enterprises of tobacco manufacturing corporations. Compiled and adapted from Quarterly Financial Reports for Manufacturing Corporations, Federal Trade Commission--Securities and Exchange Commission.

Table 32.--Tobacco: Acreage and yield per acre in the United States, by types, or groups of types, for specified periods

Period	Flue-cured 11-14	Burley 31	Maryland 32	Fire-cured		Dark air-cured 35-36	Va. sun-cured 37	Cigar						Total 1/
				Va. 21	Ky.-Tenn. 22-23			Filler			Binder		Wrapper 61-62	
								41	42-44	46	51-52	54-55		
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
1950	958.4	408.3	50.0	9.8	43.1	25.5	3.2	37.3	7.8	37.0	18.9	22.1	13.7	1,636.0
1951	1,110.1	456.1	53.0	10.0	39.0	23.0	3.5	34.9	4.9	36.0	15.3	15.8	13.6	1,815.9
1952	1,111.3	463.5	50.0	9.8	37.6	22.9	3.4	23.7	5.7	36.7	15.1	15.1	13.1	1,808.5
1953	1,021.8	419.7	45.0	9.9	38.4	22.3	3.7	25.8	4.7	41.7	14.6	14.3	12.3	1,674.6
1954	1,042.2	420.9	50.0	10.0	42.0	21.8	4.1	29.2	4.6	38.0	14.4	15.0	13.0	1,705.5
1955	990.7	310.6	47.0	9.1	39.1	20.0	4.2	29.5	4.4	36.1	13.4	14.3	12.9	1,531.5
1956	875.3	309.8	43.7	8.5	38.5	19.3	3.1	29.0	3.9	26.3	7.2	11.8	13.3	1,389.8
1957	662.7	306.6	37.0	6.9	24.7	14.5	2.6	29.0	3.6	26.5	4.3	11.6	13.1	1,148.3
1958	639.4	297.1	34.0	6.8	24.3	12.7	1.6	30.0	3.0	24.2	2.9	13.0	12.9	1,102.1
1959	693.3	301.0	40.0	7.6	27.6	13.2	2.1	31.0	3.9	26.3	4.5	13.9	14.0	1,179.0
1960	691.8	295.7	37.5	7.3	25.9	13.0	1.8	31.0	4.3	28.5	3.8	14.6	14.6	1,170.1
1961	698.5	318.9	40.0	7.5	27.9	13.5	2.1	31.0	4.6	27.0	2.9	13.7	13.4	1,201.4
1962	729.8	338.6	41.0	7.6	28.5	13.9	2.2	30.0	4.2	28.5	2.6	12.1	13.2	1,252.6
1963	694.5	338.5	34.5	6.6	27.7	13.8	1.5	28.0	3.9	30.0	2.8	10.7	12.9	1,205.7
1964	627.6	306.6	39.0	7.3	24.8	12.4	1.7	27.0	3.7	2/30.8	2.8	10.9	13.8	1.108.6
1965 2/	562.3	277.1	33.5	7.6	23.2	11.3	1.8	27.0	3.7	2/17.5	2.6	10.9	15.6	994.4
1966 3/	606.6	241.2	34.0	7.4	21.8	10.6	1.6	25.0	3.5	---	2.6	10.7	14.8	4/1,004.2
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1950	1,312	1,222	800	1,310	1,054	983	1,120	1,500	1,350	689	1,670	1,446	1,130	1,256
1951	1,309	1,355	785	1,340	1,183	1,204	1,145	1,610	1,480	781	1,676	1,473	1,098	1,299
1952	1,229	1,403	805	1,250	1,223	1,314	1,100	1,600	1,550	935	1,620	1,447	1,124	1,266
1953	1,245	1,345	900	930	1,034	1,060	790	1,480	1,400	818	1,833	1,400	1,203	1,250
1954	1,261	1,586	875	1,060	1,229	1,395	900	1,670	1,750	895	1,754	1,530	1,264	1,336
1955	1,497	1,513	670	1,155	1,399	1,391	775	1,550	1,700	831	1,643	1,469	1,213	1,451
1956	1,625	1,635	840	1,260	1,555	1,592	1,030	1,670	1,625	913	1,849	1,712	1,290	1,583
1957	1,471	1,592	1,040	1,245	1,411	1,367	1,030	1,420	1,270	1,008	1,940	1,709	1,442	1,475
1958	1,691	1,567	915	1,385	1,393	1,269	1,170	1,700	835	1,058	1,867	1,682	1,283	1,599
1959	1,559	1,669	780	1,320	1,560	1,466	1,040	1,725	1,770	1,068	1,712	1,436	1,325	1,548
1960	1,808	1,639	925	1,220	1,411	1,403	995	1,700	1,535	965	1,802	1,431	1,460	1,685
1961	1,801	1,820	970	1,300	1,552	1,525	1,045	1,725	1,665	1,137	1,881	1,640	1,429	1,741
1962	1,930	1,993	990	1,255	1,566	1,619	1,040	2,000	1,775	1,249	2,026	1,621	1,464	1,876
1963	1,975	2,231	1,000	940	1,795	1,751	760	1,850	1,740	1,067	2,075	1,680	1,449	1,970
1964	2,211	2,022	1,085	1,245	1,854	1,828	1,060	1,700	1,555	1,232	2,021	1,821	1,530	2,044
1965 2/	1,883	2,116	1,150	1,260	1,574	1,639	1,105	1,900	1,500	1,029	1,890	1,765	1,468	1,883

1/ Total includes types 56, 24 and 53 in various years prior to 1953. 2/ Preliminary. 3/ Farmers's intentions as of March 1. 4/ Assumes type 46 acreage the same as the recent two year average.

STATISTICAL SUMMARY

Item	Unit or base period	1965 Apr.	1965 May	1966 Mar.	1966 Apr.	1966 May	Last data as percentage of a year earlier
Average price at auctions							
Flue-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Burley	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Maryland	Ct. per lb.	64.6	62.7	Closed	69.0	65.7	105
Virginia fire-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Ky.-Tenn. fire-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Ky.-Tenn. dark air-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Virginia sun-cured	Ct. per lb.	C - l - o - s - e - d		C - l - o - s - e - d			---
Support price levels 1/							
Flue-cured	Ct. per lb.	57.7			58.8		102
Burley	Ct. per lb.	59.5			60.6		102
Maryland	Ct. per lb.	52.8			No support		---
Virginia fire-cured	Ct. per lb.	40.4			41.1		102
Ky.-Tenn. fire-cured	Ct. per lb.	40.4			41.1		102
Ky.-Tenn. dark air-cured	Ct. per lb.	35.9			36.6		102
Virginia sun-cured	Ct. per lb.	35.9			36.6		102
Connecticut Valley cigar binder	Ct. per lb.	41.2			42.0		102
Wis. binder and Ohio filler	Ct. per lb.	29.7			30.3		102
Puerto Rican filler	Ct. per lb.	30.9			31.5		102
Parity index 2/	1910-14=100	320	323	331	333	333	103
Industrial production index 3/	1957-59=100	141	142	153	154	155	109
Employment	Mil.	71.1	72.4	72.0	73.1	73.8	102
Personal income 4/	Bil. dol.	520.5	525.0	561.4	563.1	565.5	108

Item	Unit or base period	1965 Mar.	1965 Apr.	1966 Feb.	1966 Mar.	1966 Apr.	Last data as percentage of a year earlier
Taxable removals							
Cigarettes	Bil.	47.4	43.5	43.0	47.1	39.6	91
Cigars and cigarillos	Mil.	728.1	704.2	619.2	722.3	673.4	96
Accumulated from Jan. 1							
Cigarettes	Bil.	126.7	170.2	82.3	129.4	169.0	99
Cigars and cigarillos	Mil.	1,989.3	2,693.5	1,223.9	1,946.2	2,619.5	97
Smoking tobacco	Mil. lb.	17.7	---	---	16.9	---	95
Chewing tobacco	Mil. lb.	15.7	---	---	15.3	---	97
Snuff	Mil. lb.	7.0	---	---	7.8	---	111
Tax-exempt removals							
Cigarettes	Bil.	3.7	4.0	3.5	4.6	4.0	100
Exports	Bil.	2.3	2.1	2.0	2.2	2.4	114
Cigars and cigarillos	Mil.	17.5	12.4	17.0	20.2	17.2	139
Accumulated from Jan. 1							
Cigarettes	Bil.	9.2	13.2	7.6	12.2	16.2	123
Exports	Bil.	4.4	6.5	3.5	5.7	8.1	125
Cigars and cigarillos	Mil.	40.2	52.6	34.7	54.9	72.1	137
Smoking tobacco	Mil. lb.	.5	---	---	.8	---	160
Chewing tobacco	Mil. lb.	.1	---	---	.2	---	200
Wholesale price indexes 5/							
Cigarettes (reg. nonfilter)	1957-59=100	109.5	109.5	109.5	114.1	114.1	104
Cigars	1957-59=100	100.3	100.3	100.2	100.7	100.7	100
Smoking tobacco	1957-59=100	121.2	121.2	128.7	128.7	128.7	106
Plug chewing tobacco	1957-59=100	123.9	123.9	133.3	133.3	133.3	108
Snuff	1957-59=100	115.0	115.0	122.8	122.8	122.8	107
Consumer price indexes (urban)			Dec.				
Cigarettes (reg. nonfilter)	1957-59=100		128.2		6/128.5		100
Cigarettes (king & filter)	Mar. '59=100		122.5		6/122.6		100
Cigars (dom. reg. size)	1957-59=100		100.6		100.7		100
Imports of tobacco							
Cigarette leaf	Mil. lb.	11.9	10.5	10.4	11.7	12.0	114
Cigar tobacco 7/	Mil. lb.	8.7	5.2	6.4	2.9	7.0	135
Accumulated from Jan. 1							
Cigarette leaf	Mil. lb.	38.0	48.5	22.2	33.8	45.8	94
Cigar tobacco 7/	Mil. lb.	21.1	26.3	11.8	14.7	21.7	83

See footnotes at end of Statistical Summary. Continued -

STATISTICAL SUMMARY--CONTINUED

Item	Unit or base period	1965 Mar.	1965 Apr.	1966 Feb.	1966 Mar.	1966 Apr.	Last data as percentage of a year earlier
Exports of leaf tobacco (farm-sales weight)							
Flue-cured	Mil. lb.	36.9	37.3	22.8	33.2	19.6	53
Burley	Mil. lb.	4.0	4.2	6.5	3.3	2.8	67
Maryland	Mil. lb.	.6	.7	.3	1.1	.5	71
Virginia fire- & sun-cured	Mil. lb.	1.3	.8	.2	.6	.6	75
Ky.-Tenn. fire-cured	Mil. lb.	5.1	1.1	1.8	3.3	1.1	100
Ky.-Tenn. dark air-cured	Mil. lb.	.1	.3	.1	.3	*	---
Black Fat	Mil. lb.	.6	.3	.3	.3	.1	33
Cigar wrapper	Mil. lb.	.4	.6	1.0	.3	.4	67
Connecticut binder	Mil. lb.	.2	1.2	*	*	1.1	92
Wisconsin binder	Mil. lb.	*	*	*	*	*	---
Accumulated from beginning of marketing year 8/							
Flue-cured	Mil. lb.	343.2	380.5	326.0	359.2	378.8	100
Burley	Mil. lb.	23.6	27.7	24.7	28.1	30.9	112
Maryland	Mil. lb.	4.8	5.5	5.5	6.6	7.2	131
Virginia fire- & sun-cured	Mil. lb.	2.5	3.2	3.8	4.4	5.0	156
Ky.-Tenn. fire-cured	Mil. lb.	12.8	13.8	14.2	17.5	18.6	135
Ky.-Tenn. dark air-cured	Mil. lb.	1.4	1.6	1.1	1.5	1.5	94
Black Fat	Mil. lb.	1.9	2.2	1.9	2.3	2.4	109
Cigar wrapper	Mil. lb.	2.9	3.5	3.6	3.9	4.3	123
Connecticut binder	Mil. lb.	.4	1.6	.5	.5	1.6	100
Wisconsin binder	Mil. lb.	.4	.5	.2	.2	.2	40
Exports of manufactured tobacco in bulk	Mil. lb.	1.8	1.2	1.1	.9	1.1	92
Accumulated from Jan. 1	Mil. lb.	2.3	3.5	1.6	2.5	3.7	106

		Quarterly data 1965 Jan.-Mar.	1965 Apr.-June	1966 Jan.-Mar.	1966 Apr.-June	Last data as percentage of a year earlier
Tobacco stocks--1st of quarter 9/						
Domestic types (farm-sales weight)						
Flue-cured	Mil. lb.	3,042	2,823	2,942	2,680	95
Burley	Mil. lb.	1,680	1,710	1,676	1,695	99
Maryland	Mil. lb.	82	75	90	82	109
Fire-cured	Mil. lb.	109	141	105	136	96
Dark air- and sun-cured	Mil. lb.	67	78	68	75	96
Cigar filler	Mil. lb.	188	231	184	225	97
Cigar binder	Mil. lb.	68	80	66	82	102
Cigar wrapper	Mil. lb.	27	25	26	29	116
Under Government loan 10/	Mil. lb.	1,372	1,367	1,288	1,238	91
Tobacco sheet 11/						
Cigarette types	Mil. lb.	5.3	6.3	9.2	10.4	165
Cigar types	Mil. lb.	2.8	2.5	2.5	3.4	136
Foreign types (farm-sales wt.)						
Cigarette and smoking	Mil. lb.	258	276	263	320	116
Cigar	Mil. lb.	85	94	92	89	95
Tobacco outlets 12/						
Seasonally adjusted data, annual rates, for charts, p.2:						
Cigarettes						
Production	Bil.	566	564	586	569	101
Taxable removals	Bil.	518	515	530	513	100
Cigar production	Bil.	8.99	9.04	8.28	9.27	103
Smoking production	Mil. lb.	75.5	71.3	74.6	69.4	97
Chewing production						
Scrap	Mil. lb.	35.0	31.9	35.4	32.1	101
Plug and other	Mil. lb.	31.4	31.0	31.0	30.3	98
Snuff production	Mil. lb.	28.1	30.4	29.4	30.0	99
Exports of leaf						
Total	Mil. lb.	335	735	640	551	75
Flue-cured	Mil. lb.	274	640	548	484	76

1/ 1965 and 1966 crops respectively. 2/ Prices paid by farmers including interest, taxes and wage rates. 3/ Seasonally adjusted. 4/ Seasonally adjusted, annual rate. 5/ Excise tax excluded. 6/ March indexes do not reflect recent increases. 7/ Farm-sales weight equivalent. 8/ July 1 for flue-cured and cigar wrapper and October 1 for others. 9/ Holdings of manufacturers and dealers including grower cooperatives. 10/ Reported by grower cooperatives. 11/ Weight of tobacco leaf not including stems added. 12/ Data for most recent quarter are preliminary estimates.
*Less than 50,000 pounds.

LIST OF TABLES

Table	Title	Page
1	Cigarettes: Total output, domestic consumption, shipments and exports for specified periods	6
2	Cigarette exports from the United States to leading destinations for specified periods	6
3	Large cigars and cigarillos: Output and consumption for specified periods	8
4	Small cigars (weighing not more than 3 pounds per thousand and approximately cigarette size): Output and removals for specified periods	8
5	Smoking tobacco: Output, removals, foreign trade, and consumption for specified periods	9
6	Chewing tobacco and snuff: Output by category for specified periods	11
7	United States exports of unmanufactured tobacco by types and to principal importing countries for specified periods	13
8	Flue-cured tobacco, types 11-14: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods	14
9	Burley and Maryland tobacco: Value per pound of the exports to selected major countries, and to all countries, marketing years, for specified periods	14
10	Fire-cured tobacco: Value per pound of the exports to selected major countries and to all countries, marketing years, for specified periods	15
11	Black Fat and dark air-cured tobacco: Value per pound of the exports to selected major countries, and to all countries, marketing years, for specified periods	15
12	United States and world production and exports of flue-cured and all unmanufactured tobacco, averages 1947-51 and 1952-56, annual 1957-65	17
13	Tobacco imports of ranking foreign markets and percentage supplied by the United States, 1962-65	17
14	United Kingdom tobacco: Imports, stocks, clearances, and exports for specified periods	19

LIST OF TABLES - Continued

Table	Title	Page
15	United States imports for consumption of unmanufactured tobacco from principal supplying countries, for specified periods	21
16	United States general imports of tobacco, quantity and average value per pound, average 1958-62, annual 1963-65, and January-April 1966	22
17	Flue-cured tobacco, types 11-14: Domestic supplies, disappearance, season average price, and price support operations for specified periods	25
18	Burley tobacco, type 31: Domestic supplies, disappearance, season average price, and price support operations for specified periods	27
19	Maryland tobacco, type 32: Domestic supplies, disappearance, season average price, and price support operations for specified periods	29
20	Fire-cured tobacco, type 21: Domestic supplies, disappearance, season average price, and price support operations for specified periods	31
21	Fire-cured tobacco, types 22-23: Domestic supplies, disappearance, season average price, and price support operations for specified periods	32
22	Dark air-cured tobacco, types 35-36: Domestic supplies, disappearance, season average price, and price support operations for specified periods	34
23	Sun-cured tobacco, type 37: Domestic supplies, disappearance, season average price, and price support operations for specified periods	35
24	Cigar filler tobacco, types 41-46: Domestic supplies, disappearance, and season average prices, for specified periods	38
25	Cigar binder tobacco, types 51-52: Domestic supplies, disappearance, and season average prices, for specified periods	40
26	Cigar binder tobacco, types 54-55: Domestic supplies, disappearance, and season average prices, for specified periods	41
27	Cigar wrapper tobacco, types 61-62: Domestic supplies, disappearance, and season average prices, for specified periods	42

LIST OF TABLES - Continued

Table	Title	Page
28	Cigar tobacco types: Government price support levels, 1963-66 and season average prices, 1963-65	43
29	Cigar tobacco price support operations, quantities placed under loan, 1955-65, and remaining under loan May 31, 1966	43
30	Cash receipts from tobacco and percentages of total cash receipts by States, average 1958-62, annual 1963-65	45
31	Tobacco manufacturing corporations: Net sales, net income, and profit ratios, for specified periods	45
32	Tobacco: Acreage and yield per acre in the United States, by types, for specified periods	46
	Statistical summary	47

LIST OF CHARTS

Flue-cured tobacco ..... Cover

Tobacco outlets--recent trends 2
- Cigarettes
- Cigars and cigarillos
- Smoking tobacco
- Chewing tobacco
- Snuff
- Leaf exports

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